Unemployment Insurance Review

July 1967

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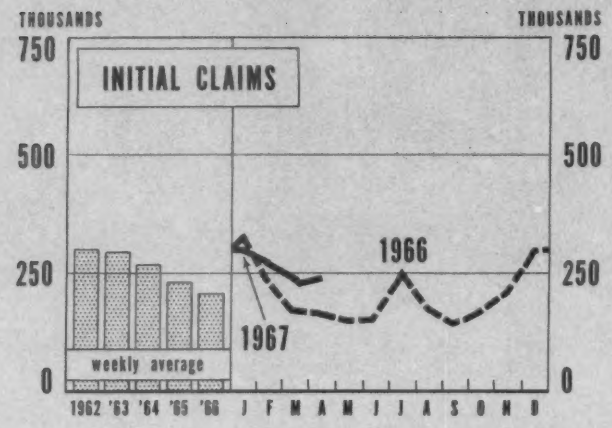
Furriers Union: 30 Years' UI Experience

Unemployment Insurance Financial Developments—Calendar Year 1966

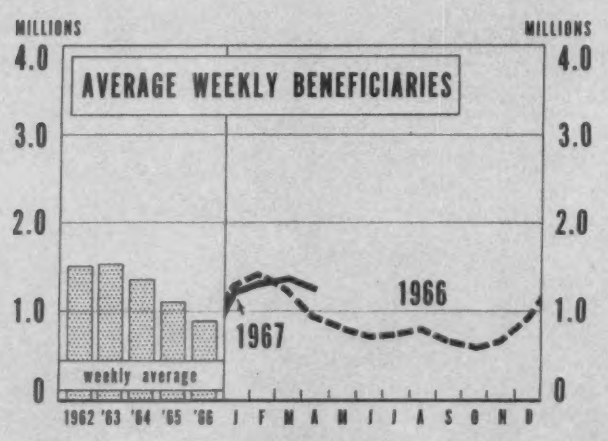
UNITED STATES DEPARTMENT OF LABOR
Manpower Administration

UNEMPLOYMENT INSURANCE ACTIVITIES

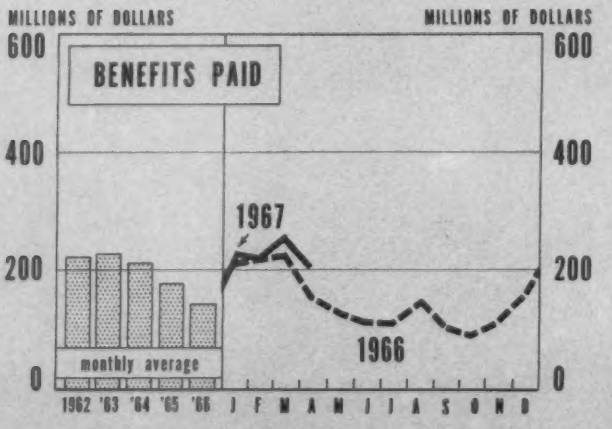
UNDER STATE PROGRAMS



Initial claims under State programs averaged 243,900 per week in April—4,600 above the volume in March and 77,400 more than the total a year earlier.



In April the average weekly number ot beneficiaries dropped to 1.2 million from 1.4 million in March. This was the lowest figure for any April in 10 years, except for 1966 when beneficiaries averaged 931,500.



Benefits paid to jobless workers under State programs totaled $200.6 million in April—22 percent less than in March but 29 percent more than in April 1966.

Unemployment Insurance Review

July 1967
Vol. 4, No. 7

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

MANPOWER ADMINISTRATION
Stanley H. Ruttenberg, Administrator

BUREAU OF EMPLOYMENT SECURITY
Robert C. Goodwin, Administrator

UNEMPLOYMENT INSURANCE SERVICE
William U. Norwood, Jr., Director

HARRY F. MULLALY, Editor

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Foreword

TODAY it is standard operating procedure for all large organizations serving the public, either in private business or government, to make periodic surveys to find out what the public thinks about the quality of their services and the manner in which they are provided. Usually the public is invited to make comments on questionnaires, to answer questions on the reverse side of statements and bills, or to reply to the questions of a pollster. These answers and comments are carefully tabulated, analyzed, and evaluated, and many subsequent improvements in services are introduced as a result of these revelations.

Thoughtful and conscientious administrators always are concerned about the effectiveness of the organizations for which they are responsible. It is probably true that complete satisfaction is never attained, or that, if it is, such satisfaction or complacency should be a warning that troubles surely lie ahead.

As with all large organizations, the Bureau of Employment Security, in carrying out its responsibilities under the Federal-State unemployment insurance program, and in its concern with the program's effectiveness and with efforts to improve its administration, recently invited representatives of three labor organizations in three large metropolitan areas to express the views of their members about the services they receive as unemployment insurance claims.

The following three articles were prepared in response to that invitation and represent what their authors feel are sincere evaluations of the program's administration based on the experience they acquired in assisting their fellow workers with unemployment compensation problems. The general overall view expressed by the Rubber Workers provides the background for the more specific observations of the Furriers and Teamsters representatives.

These views are, of course, representative of just a few groups, and do not necessarily reflect those of other unions or the hundreds of thousands of nonunion claimants throughout the States. And, too, these impressions may vary widely with those of the thousands of State agency workers regarding the claimants' reactions to the services rendered. While we in the Bureau and the State agencies appreciate the commendatory notes in these reports, we are equally grateful for the suggestions for improvement and for the spirit in which they are made.

On balance, their stories generally confirm the great strides that have been made during the past 30 years of the program, not only in serving claimants in modern office buildings utilizing the latest office equipment, using improved claims application forms, accomplishing the speedier processing of claims and the mailing or delivery of benefit checks, but also in staffing these offices with well-trained personnel to give increased and careful attention to the protection of claimants' rights and to keep them better informed about their rights as well as their responsibilities under the State UI laws.

In fact, the general tenor of the criticisms is in line with those being made today of all large service organizations—the increasing dehumanization that appears to accompany the new computerized and automated office procedures, the tendency to create complicated forms designed to obtain answers to every possible question, problem, or situation, and with interviewing habits that sometimes impede rather than facilitate fruitful communication between individuals.

Although reserving judgment as to the merit of some of the authors' suggestions, we believe those of our readers who are responsible for UI administration in the State agencies will find them useful in reviewing operating procedures, and of value wherever they may be found to be practicable. We are, in turn, interested in learning about reactions to these viewpoints and evaluations of them, and plan to publish selected comments of administrators in forthcoming issues of the *Unemployment Insurance Review*. In this way a meaningful dialogue will have been accomplished with beneficial results for those who are served by, and those who serve, the UI program.

William U. Norwood, Jr.
Director
Unemployment Insurance Service

Rubber Workers View

Benefit Processing

Jack Moye

THERE are many and varied reactions to the personal contacts that take place between those applying for unemployment insurance and the people who receive and process applications.

To many applicants, it is a new experience, and the first impressions are quite often the only ones they will ever have of the people who are employed to serve workers when they are unemployed.

The claimants are often bewildered and upset because of the layoff that brought them to the UI office. When employment security personnel are considerate and helpful regarding the many questions claimants have, a lasting impression of kindness and friendliness remains. When claimants are snapped at or cut short, a poor impression is made and resentment results. Therefore, we feel that the first contact with the UI office is the most important one of all.

In addition, the average new applicant does not know the rules and regulations and has a fear of doing the wrong thing. Thus the agency employee who makes things clear to the applicant is a tremendous help in keeping the claimant's records straight and accurate.

Quite often workers with limited education and skills are the first to be laid off, as they are also the last to be hired and thus often the lowest in seniority. Many times, even though these workers are high on the seniority list, they are still laid off because they cannot qualify for the remaining jobs. Claimants from this group of workers require extra patience in the handling of their claims and sometimes repetitive instructions of what they have to do to seek and obtain employment and to continue to receive benefits.

One of the biggest differences noted by our members has been the handling of claims at one office as compared to another close by. Some offices are more efficiently and smoothly run while in others the supervision may be sloppy and most ineffective. This, of course, is traceable to the training the staff has received, the conditions under which they work, the number of claims they have to process, and whether the unemployment insurance claims representatives enjoy their work in helping people or whether they look upon their function as just another job.

The large majority of those workers claiming benefits are ordinary, honest people. The claims taker who questions the truthfulness of everyone does not leave a good impression on claimants, and unfortunately that impression is carried over to the other staff members of the UI office.

It is difficult for most people to understand when it is necessary to take extra time to process a claim, as for example when wage or employment information is incomplete or difficult to obtain. Fortunately, these instances seldom happen; but when they do, an extra effort to expedite the check is usually most gratefully appreciated.

Mr. Moye is Special Representative, Supplemental Unemployment Benefits Office, United Rubber, Cork, Linoleum and Plastic Workers of America (AFL–CIO), Akron, Ohio.

Most of the time UI claims are handled very smoothly and there are fewer problems as time goes by. This is, in large measure, because of the dedication shown by the majority of the staff in operating the UI offices. It is especially appreciated by a claimant when a difficult problem is investigated by a claims deputy who is sincerely interested in determining the true facts of a case in an objective way and who does not give the impression he is primarily interested in finding reasons for disqualification.

During periods of large mass layoffs, rubber workers have actually observed fewer problems with their claims than at other times. The majority recognize that they are not alone in the layoff; it is then that they realize more fully the problems of the staff employed by the State UI offices.

To sum up, today the union receives fewer complaints than before. Among the factors contributing to this improvement are more efficient methods for the handling of claims, much better prospects for speedier reemployment of workers, and the existence of other programs that supplement unemployment insurance payments, such as the industry's supplementary unemployment insurance plan.

Again, we believe the first handling of a person's claim leaves the most lasting impression. The key to a well-run UI office is to be found in that first contact.

Claimant Views of UI Administration in California

Thomas L. Harris

IN 1965 more than 2 million initial claims for unemployment insurance were filed against California and nearly 12½ million weeks of benefits were claimed. Each week claimed (with few exceptions) means a personal interview with a representative of a local office of the California Department of Employment. It would be miraculous if among nearly 15 million contacts there were no instances of gross discourtesy, flagrant impropriety, obvious inequities, and infuriating mistakes by Department interviewers. In more than 20 years of intimate association with the unemployment insurance program, first as an interviewer for the California agency and for the past 14 years as a representative for the Teamsters, I have acquired from personal experience some horrendous examples of all these faults. But to relate them in this article would be to distort the actual operation of the program. The fact is, the vast majority of claimants draw their weekly benefits with little more trouble than cashing a check at a bank.

Mr. Harris is Social Insurance Analyst, California Teamsters Legislative Council.

The Public Image

Unlike the banks, however, the UI program, although it deserves it, certainly does not enjoy such a good public image. In large part the poor image of the program results from decades of unfavorable publicity. I can recall many articles depicting claimants as "chiselers" and interviewers as "bureaucrats squandering the employers' taxes,"

but I do not recall a single article in a popular magazine that gives a fair picture of the program as it actually operates. Certainly there are chiselers among claimants and there are incompetent interviewers. But it is also true that banks are subject to holdups, bankers have been convicted of embezzlement, and forged checks are not unknown. If banks were given the same adverse publicity as the Department of Employment, their public image would be equally unflattering.

Twenty years ago, when I first went to work for the California agency, most local offices were squalid, the interviewers were untrained, and payments were often unconscionably delayed. Today the local offices, although somewhat less grand, are as comfortable as the branch office of any bank. The interviewers at the counter are as efficient and as courteous as the bank cashiers, and an interview is no more intimidating than one with a bank officer when requesting a loan. But the fact is that workers who have not recently claimed benefits tend to think of the agency operations as they were some 10 or 20 years ago.

Claimant Criticisms

Although the public image of the program is unfair the average claimant does have some valid criticisms. First of all, for the claimant who has not recently made a claim the series of signs which confronts him when he enters a local office, is, to say the least, confusing. He cannot easily discover where he is supposed to register for work or what the procedures are. In larger offices it would, I believe, facilitate operations and certainly improve public relations if there were an information desk staffed by an experienced interviewer.

A second valid criticism is the amount of paper work that a claimant is expected to complete unaided. For most people the completion of any form (for example, the income tax) is a major crisis. It is all the more perturbing for non-English-speaking claimants if the form is not printed in their native language. Yet any error in the completion of any of these forms may subsequently result in a disqualification for misstatement. One of my favorite fantasies is a chance to process a claim for the chairman of the State Bar Association. I strongly suspect that by the time he had completed his application, his initial claim form with the accompanying availability questionnaire, and his first weekly certification, I should be able to disqualify him for false statement on at least one count!

Of course experienced claimants, even when illiterate, know precisely the boxes to check. The inexperienced though educated claimant frequently finds himself trapped. How can a claimant enter in one line the reasons for severance in those frequently marginal cases where it is a question as to whether he was fired, quit, or was laid off? To the annoyance of interviewers, I advise all claimants to state "terminated" unless at least five other workers left work at the same time. Claimants quite properly resent completing forms that they feel are boobytrapped with questions of very obscure or indeterminate meaning, as for example, "Have you received or do you expect to receive vacation pay?" or "Are you attending school?" or "Are you engaged in agriculture?" (I unsuccessfully appealed the case of a Russian-speaking claimant who with his wife was selling honey and a few garden products at a roadside stall.)

The Search for Work

Claimants also resent the fact that so many questions appear irrelevant and so many procedures seem futile. Under the California UI law, a claimant must seek work each week in accordance with specific and reasonable instructions from the Department of Employment. The statute (which was amended some years ago following strong advocacy by the Teamsters) is clear; the agency's procedures are not, particularly when the claimant's occupation is not covered by hiring hall procedures. In fact, almost every disqualification for failure to seek work can be successfully appealed, but most claimants do not realize how strong their case is. Realistically, most people outside of organized labor or professional occupations, such as nursing, get their jobs through friends. Standing a drink to a former supervisor or a distant (but employed) relative is in many cases much more effective than following the agency's direction. But when the periodic eligibility interview arrives the claimant would be well advised to give some truthful but quite meaningless personal contacts with employers, because the agency is not likely to attach much importance to a drink bought for a supervisor or telephone calls to one's friends.

Other types of questions that claimants rightly resent (especially when they have been disqualified

as the result of an inappropriate answer) are such hypothetical ones as "What is the lowest wage you are willing to accept?" or "How far are you willing to travel to work?" Our Teamster business agents instruct their members never to answer such hypothetical questions. Most of our members would willingly babysit for a movie star at 25 cents an hour but would require prevailing wages from me!

To summarize, many claimants resent a bureaucratic tendency to require documentation by the inexperienced claimant for every operation, and they feel insulted by the ominous warning on each document of the penalties of false statement.

Method of Interviews

The average claimant usually surmounts these documentary obstacles on applications, but in 1965 some 720,000 claimants were referred to a desk for a determination interview. Many of these interviews were routine, involving a minimum of interrogation. Some 44 percent of those interviewed were found eligible, and in most instances they did not resent the interview in view of the fact that they were paid. Indeed, many of those disqualified had no complaint if the interviewer explained the reason why, under the law, a disqualification was imposed.

Even so, a majority of claimants referred to a determination interview are apprehensive and often irritated even though they are finally determined to be eligible. The most common reasons for resentment are that the interviewer doesn't listen to the claimant's side of the story, that the interviewer is too ready to accept the employer's version as given in writing or over the telephone, and that the claimant is expected to sign a record of the interview written by the interviewer. I think all three charges have merit. At desk interviews with a claimant, interviewers tend to develop a prejudice on the basis of information in the documents before them and rarely have the time or the disposition to hear the claimant's version which is often rambling and directed to irrelevancies. For example, a claimant whose case I successfully appealed to a referee had been disqualified as a "quit without good cause." The claimant quite truthfully told the interviewer that she wanted to quit because the work was too far from home (which in fact it was not), but the interviewer had not listened to the claimant's full story which was that on the night of the claimant's termination she had been fired for inefficiency and actually had in her purse a note from the employer to that effect.

Allegations from the employer are usually in writing or over the telephone. The claimant is rarely confronted with his accuser at the interviewer's desk. Documentary evidence appears to have a mesmeric effect upon interviewers. The interviewer sees before him a claimant with a shifty eye and the smell of two beers; he does not see the employer whose eye is even more shifty and who made the allegation against the employee under the influence of four martinis at lunch. It is inherently unfair (though sometimes to the advantage of a claimant) that he should not be faced with his accuser when his right to benefits is put in jeopardy by an allegation from the employer. I would suggest that an employer should not be entitled to relief of charges unless he or his representative appeared at the interviewer's desk when the claimant was being interviewed as the result of the employer's allegations.

Even more objectionable and open to abuse is the practice of asking the claimant to sign a record of interview made by the interviewer. The Teamsters instruct all their members who are claimants to refuse such signature on the grounds that no record of an interview lasting more than 2 minutes can be accurate unless recorded on tape.

Reducing Needless Appeals

Conceding that most determinations are fair, even these determinations give rise to many appeals. Conversely, many inequitable determinations are not appealed. Many appeals without merit could be avoided if the interviewer would explain to the claimant quite objectively the reasons why he was ruled ineligible. If additional administrative funds were provided by the Federal Bureau of Employment Security to the State agency to make available to the interviewers an extra 5 minutes for an explanation of a disqualification, many appeals could be eliminated. As a representative for the Teamsters I rarely have difficulty in persuading a member to withdraw an appeal that is without merit. Naturally a representative for the claimant is in a better position than an interviewer to secure such withdrawal, because the claimant feels, usually unjustly, that the interviewer is "out to get him." But the interesting fact is that interviewers with a low ratio of disqualifications are sometimes intensely disliked by

claimants, whereas interviewers with a very high ratio of disqualifications are often considered fair, primarily because they (more often female than male) have taken the trouble to explain the reasons for disqualification.

Every interested party to a determination has quite properly an absolute right (within the time limitation expressed in the law) to appeal; but most appeals by claimants and even by employers are without merit. Theoretically, any appellant can request redetermination up until the time the appeal period has expired. But the redetermination process, which if effective would save many hundreds of thousands of dollars in futile appeals, fails because the person making the redetermination, usually a supervisor, frequently hesitates to correct a subordinate's decision for fear of undermining that subordinate's morale. Possibly this weakness could be corrected if in the agency's larger offices redeterminations were made either by an individual from another office or by some expert outside the ordinary chain of command. Certainly the cost and delays involved in groundless appeals are not only irritating to claimants but very costly to the program.

Formality of Hearings

Only a relatively small percentage of disqualifications are appealed to a referee. The average claimant considers an appeal to a referee the equivalent of going to court. He is apprehensive, and anything that increases the formality of a hearing increases his apprehensiveness. Unfortunately the trend in appeal hearings in recent years has been toward increasing formality at referee hearings. In many localities hearings are no longer held in the local office with which the claimant is familiar but in a separate building which, though more convenient for the referee, introduces an element of unfamiliarity to the claimant. Formerly, referee hearings were conducted most informally; unfortunately, in recent years the California referees have become accustomed to open proceedings with a long showy statement emphasizing that the appeal process is quite independent of the State agency and reciting in quasi-legalistic language the specific provisions of the Code constituting the issues in the case. At this point the average claimant is so awed that he visualizes the referee as robed in wig and ermine.

Time and again I have seen the catastrophic effect of these apparently trivial innovations. A claimant who has given me a clear straightforward story is intimidated by the strangeness of surroundings away from the local office where he has reported weekly, and he becomes completely befuddled by the referee's opening statement. Very often he is still further disadvantaged by the presence of an employer representative who after watching the television series *Perry Mason* for some seasons begins raising objections as though he were defending a case with Hamilton Burger as district attorney. Fortunately, referees almost invariably protect an unrepresented claimant against harassment and badgering, but they cannot protect him against the psychological handicap. Possibly the agency should offer both to unrepresented claimants and to unrepresented employers the equivalent of a public defender. Such a provision would almost certainly expedite hearings and reduce the number of appeals to the Appeals Board.

Conclusion

In the past 20 years, operations have become more efficient and more humane; but the danger is that the administration of the program as it becomes more efficient is also becoming more bureaucratic and less aware of the needs, tensions, and limitations of the individual claimant.

Interior—Local Office 14T, Monticello, N.Y.

YESTERDAY . . . the early 1940's

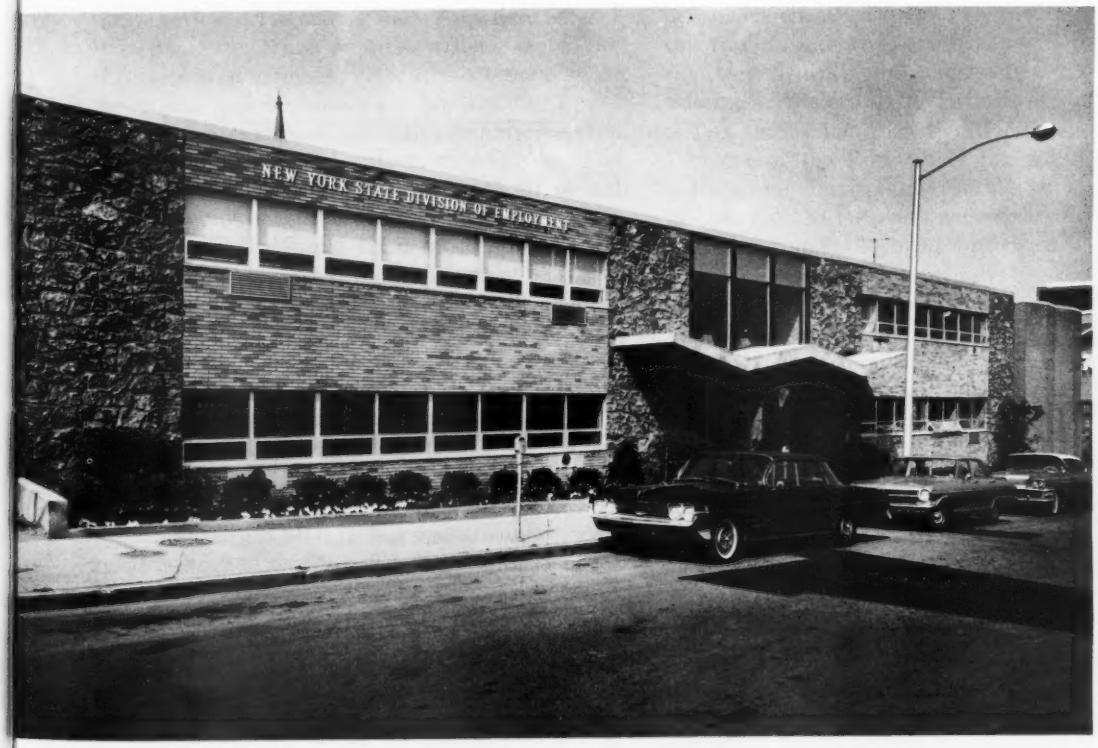
temporary quarters and equipment, temporary staff.

Exterior—Local Office 73, Niagara Falls, N.Y.

Interior—Local Office 5, Schenectady, N.Y.

TODAY . . . the late 1960's

permanent modern buildings and equipment, permanent and trained staff.



Exterior—Local Office 5, Schenectady, N.Y.

266-693 O-67—2

Apology From Glen Cove Claimant

An outraged UI claimant who recently came into Local Office 61 in Glen Cove and, in her own words, "screamed to high heaven" because she thought her $32 weekly benefit rate should have been more, has apologized for her behavior—even though it turned out she was right about the rate.

In a letter to the central office in Albany, the claimant acknowledged she shouldn't have carried on the way she did, and complimented the Glen Cove office staff for their coolness under fire.

"In spite of the way I acted in the Glen Cove office, everyone who had to help me was just as nice as could be," she said.

The claimant said she was "ashamed and embarrassed" about the "fuss" she made, but asked: "Did you ever notice how much louder you can yell when you think you aren't getting what you consider is due you?"

The claimant also indicated in her letter, incidentally, that she still isn't completely sure about the correctness of the $36 benefit rate that was assigned her after corrected wage information was received from the employer.

She said she figured it ought to be only $35, and warned that "I don't want the government sending me a bill at some future date telling me I owe them some money."

If such a thing ever does take place, the claimant undoubtedly will let the Glen Cove office staff know about it—and they'll get another chance to prove their ability to remain calm, cool, and collected.

Reprinted from The Recorder, *a monthly publication for employees of the Division of Employment, New York State Department of Labor, No. 10, vol. 5, March 1967.*

The following letter was received by local UI Office 511, New York Division of Employment, New York City, from a UI claimant:

Interested in an outsider's reactions?

I have been in and out of your office . . . and have been impressed every time by the graceful, cheerful, and efficient handling of my claims which have required interrogation in, I believe, all your sections.

What's more, as a prying newspaper reporter and skilled eavesdropper from away back, I have tuned in on every interview I could while waiting. Here, too, I have been impressed by the intelligence, understanding, and sympathy shown by your people in resolving problems for individuals much less able to cope for themselves than I am. And, obviously, under a much, much too heavy workload.

I just thought I ought to tell you.

Reprinted from The Recorder, *a monthly publication for employees of the Division of Employment, New York State Department of Labor, No. 11, vol. 5, April 1967.*

Furriers Union:

30 Years' UI Experience

Oscar Ward

THE Furriers Joint Council of the Amalgamated Meat Cutters and Butcher Workmen of North America was perhaps one of the earliest and most ardent proponents of an unemployment insurance program in the United States. The fur industry being a seasonal industry dependent upon the vagaries of fashion as well as upon an affluent economy, from time to time suffers acute and chronic unemployment. Prior to the enactment of the unemployment insurance law the burden of unemployment indeed fell with crushing force on unemployed fur workers and their families. The establishment of the UI program did much toward relieving the suffering of fur workers who are unemployed through no fault of their own.

Since the early days of unemployment insurance, the Furriers Union has constantly and zealously taken every measure to advocate the extension of the program to those workers not covered by the law and the elimination of inequities in the law. It has also cooperated in every possible way with the New York Division of Employment to smooth the difficulties that necessarily arise in the administration of so far-reaching a program.

The union has always felt a keen duty to its membership and traditionally assisted its members in all employment-connected problems. Following the enactment of the unemployment insurance law, it was only natural that the union extend its assistance program to include UI matters. The union delegated its Health and Welfare Officer to advise and represent its members in UI cases. However, the officers and directors of the union set down guidelines in connection with these activities. Although every assistance was to be rendered to union members, those members who were guilty of fraud were to be refused assistance on moral grounds and on the theory that payment of unemployment insurance benefits to them would have a disastrous effect upon the program. Such a practice would necessarily result in restrictive legislation in a field so vital and necessary to the best interests of the people of the State of New York.

The author has been the Health and Welfare Director of the Furriers Union for the past 30 years, and in that capacity has had wide experience in assisting the members with their difficulties in claims for unemployment insurance.

Many of the problems may be traced to the psychological stress a person necessarily feels during a period of extended unemployment. He is constantly beset with his inability to provide for those he loves. It is little wonder that at times such persons may act irrationally and be overwhelmed with emotion.

We recognize the burden of local UI office personnel who constantly deal with persons bearing the brunt of extended unemployment. There are, however, many situations where even the most understanding and rational of claimants may be justifiably vexed. These situations are attributable

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Mr. Ward is Health and Welfare Director, Furriers Joint Council of the Amalgamated Meat Cutters and Butcher Workmen of North America (AFL–CIO).

Oscar Ward, Health and Welfare Director, Furriers Joint Council, discusses an unemployment insurance problem with a member.

in the main to the complexities of the law and the procedures. Some of the provisions of the law and some of the procedures are beyond the understanding of most claimants and tend to create difficult situations.

Union Services to Members

We think it would be interesting and advantageous for State agency local UI office personnel to have an understanding of the *modus operandi* of the Furriers Union advisory system.

The doors of the Health and Welfare Director are always open to members. They are invited to discuss their unemployment insurance problems with him. Most of the claimants who seek his advice have difficulty with their claims through misunderstanding, lack of communication, and language difficulties. These situations can be resolved readily. It requires patience and tact, but once the claimant understands the operations of the law and the reasons for an adverse determination, little difficulty follows.

Similarly, where the local UI office has erred because of lack of communication or language difficulty, a telephone call to the local office usually results in a satisfactory disposition of the problem. In this regard the union has worked closely with the managers of the local UI offices of the New York State Division of Employment and with Mr. Ben Cooper, the agency's Director of Field Operations for New York City. Extended hearings and appeals to the courts have been avoided in many instances. There is, however, a residuum of situations where neither the agency nor the union has been able to resolve claims informally and without the necessity of a hearing.

Assistance to Disqualified Claimants

When a claimant has been found ineligible for benefits or disqualified from benefits, he is often perplexed and bewildered. He feels that he has run into the stone wall of the "establishment." After we interview the claimant we conduct a preliminary investigation to ascertain the facts. If, in our opinion, the agency determination was improper, we contact the local UI office and present our version and evidence to the manager. We are frequently successful in our efforts. We find that managers change determinations when further evidence discloses that an error was made. Where the agency, after review, feels the original determination was proper, we advise the claimant to request a hearing.

The claimant, the Union's Health and Welfare Director, and the necessary witnesses then attend the referee's hearing. Claimants are usually nervous and distraught; they have to be reassured. The thought of having to appear in a "court" is often disturbing and startling to a person who has never appeared in a judicial proceeding. As a rule, UI referees have been trained and have learned by experience to create an atmosphere to make claimants feel "at home." The case proceeds in an informal manner. The union or the agency provides an interpreter for claimants who cannot express themselves adequately in English. Although the hearing is informal, cross-examination nevertheless has a decided effect on most claimants. The usual comment is, "Why do we have to go through all this to get the benefits we have worked for and so desperately need in time of stress?"

In cases involving industry-wide problems, it becomes necessary for the union to negotiate with the administrative agency's officials and its counsel. The object in such instances is to reduce the hearing process to a few test cases so that hundreds of claimants need not appear for hearings and the time of the union and the State are conserved and expenses minimized. The selection of test cases presents a difficult problem. It is necessary to choose as many situations as possible so that the entire gamut of issues involved may be presented for judicial decision. Mr. Harry Zankel, Counsel for the Division, and Mr. Benjamin Rose, head of the Appeals Unit in the counsel's office, have been most helpful in clarifying these issues and effecting a resolution of difficult industry-wide problems.

One of the abuses that occurs in the fur industry concerns the unscruplous employer who entraps gullible workers. An employer who operates a non-union sweatshop will offer an unemployed worker employment at a rate substantially less than union minimum. As an inducement, the employer promises the worker that his employment will not be recorded or divulged to the unemployment insurance authorities, in order that the worker may continue to collect benefits while employed. In many cases the earnings and employment are discovered after investigation, and the worker is quite properly subject to the penalty prescribed by the law. It is unfortunate, however, that the unscrupulous employer frequently escapes punishment for his part in the conspiracy, because of the lack of legal evidence necessary to obtain a criminal conviction.

Workers' Employment and Wage Problems

In the 1950's the market for popularly priced furs virtually disappeared. The industry in the main became a "one skin" industry. The dictators of fashion decreed that the only fur which milady should wear was mink. As a result, a considerable segment of the workers in the fur industry became unemployed. A large number of them were unable to convert to the manufacture of fur garments. They either lacked the necessary skill or ability or were older persons who could not make the change at their age. At the time, there were no retraining programs available for workers to attend while receiving benefits. These people were largely left to their own resources, and after they exhausted their benefits most of them were not able to qualify for benefits in the ensuing year. The manufacturers of furs other than mink were unable to offer workers 20 weeks of employment in a given year.

The union then sponsored legislation which would in the future aid such persons, advocating the adoption of manpower retraining programs and the granting of benefits to claimants who had less than 20 weeks of employment in their base year provided they had 40 weeks of employment in their current and penultimate base years. The Congress and the New York State Legislature adopted much of the legislation sponsored by the union. The union also sponsored legislation that extended the number of benefit payments under certain circumstances from 26 to 39 in order to further alleviate distress during periods of economic recession.

The union takes pride in the fact that it was active in sponsoring this remedial legislation which was enacted to the benefit of all workers.

Claimants who worked on inexpensive furs were often held unavailable for employment and disqualified from benefits because they did not seek work in the mink industry. The local UI offices and Employment Service interviewers had difficulty in understanding that many workers on cheaper furs could not transfer their skills to the more expensive skins. This situation resulted in a large number of referee hearings where the expert testimony of union officials was made available to claimants. As a result of this assistance by the union, most of the adverse determinations in cases of this nature were overruled.

The wages in the fur industry vary considerably. Although employers must pay the union minimum wage, highly skilled and better paid employees are usually hired at a wage greatly in excess of union minimum. The wage is usually fixed by agreement between the employer and the employee. As long as the wage is at the minimum contract or in excess thereof, the union has no objection. Sometimes, after a highly skilled employee works for a week or so at high wages, an employer reneges on his agreement and seeks to retain the services of the employee at a considerably lower wage. The employee thereupon leaves the employment. But upon filing for benefits such persons frequently are disqualified for voluntary leaving of their last employment without good cause. The union vigorously protests such a determination on the ground that the employer has taken unfair advantage of an employee, and by a ruse attempted to procure his services at a rate lower than that prevailing in the locality for workers with the same level of skill and ability. These determinations result from a lack of understanding of industry practices on the part of interviewers and local office personnel.

Many claimants are victims of willful misrepresentation forfeitures because of the complexity of what is known as the "day-base plan." This provision under the New York UI law is difficult to comprehend and to apply.[1] The average claimant can hardly understand its complexity no matter what pains are taken by the agency's local UI office staff to explain it to him. The union has for some time advocated that the day-base plan be abolished, and that a simple and understandable partial benefit payment plan be adopted. The anomalies of the day-base plan are readily apparent. A worker who works an hour a day for 4 days a week loses a benefit check even though his earnings for such 4 days are less than $15. The worker who earns $50 for 2 days of work receives a partial benefit payment. The union often wishes that the legislators and the officials of the Division of Employment were present when we attempt to explain the complexities of the plan and its anomalies to claimants.

Also, agency staff, when questioning claimants about their earnings for any given period, do not sufficiently emphasize that what is required is the amount of their gross earnings and not their take-home pay. Unlike the Social Security Administration, the agency does not take note of this situation. The Social Security Administration in its informational handbook[2] notes that a person may be found to be without fault if the evidence clearly establishes that an overpayment was incurred because the beneficiary reasonably believed that only his net cash earnings (take-home pay) as an employee counted in determining the $1,500 ($1,200 before 1966) annual earnings limitation and the monthly wage limitation used in charging earnings in excess of $1,500.

Oral and Written Communication Problems

Non-English-speaking claimants often run afoul of the penalty for willful misrepresentation. The local UI offices often do not have interpreters available. A number of workers in the fur industry speak only Greek or Spanish. They do not read or write English. When such claimants fill out forms in the local office they are dependent upon the aid of other claimants who may or may not understand them and are often more of a handicap than a help. If the information furnished by a claimant on the form contains a misrepresentation, the claimant is chargeable therewith. Often, communication between the claimant and the interviewers is almost impossible. Many of these people

[1] Editor's Note: Under the New York law, benefits for less than a full week of unemployment are paid at the rate of one-fourth of the weekly benefit for each "effective day." Since an effective day is a day of unemployment in excess of 3 days of unemployment in a calendar week—or not more than 3 days of employment—and earnings of not more than $55, a partially unemployed claimant may have 1 to 3 effective days in a week and may get one-fourth to three-fourths of his weekly benefit.

[2] *Social Security Handbook*, Ed. 3 (Washington: U.S. Department of Health, Education, and Welfare, Social Security Administration, October 1966), p. 322.

answer "yes" to any question and will sign any document put before them. Many of the alleged misrepresentations they make are due to their language difficulties and not to any intent to defraud. This situation can only be alleviated by employing bilingual interpreters in the local UI office to assist such claimants in the filing of their claims. Unless such assistance is given to these people, the administration of the law will be less than satisfactory and many an innocent claimant will be deprived of his benefits for considerable periods.

Very often claimants will present to us copies of summaries of interviews which they have had at their local UI office. These carbon copies are hardly legible. We know that interviewers must write these forms in longhand. However, we also understand that carbon copies are often illegible. The agency should provide photocopying machines in every local office so that photographic copies may be furnished to claimants.

Information Methods Need Improvement

Claimants are often lulled into a false sense of security by Employment Service interviewers. They are offered a job which the claimant feels is not the best job he can secure. The claimant is sometimes not advised that his refusal of the job may result in a disqualification. The claimant tells the Employment Service interviewer that the job is not for him. Several days later he is interviewed by a claims examiner and then receives a notice of disqualification from the UI office. The union feels that such practice is not fair. The claimant should be told that his refusal of the job offer may result in his disqualification from benefits.

As a result of the recent subway strike in New York City the claimants who were unable to go to work because of lack of transportation were held eligible for benefits. The ruling by the agency was issued after the transit strike had terminated. The publicity given to the agency's decision, however, was hardly adequate. The newspapers carried only small items about it which appeared on the inside pages. As a result, many of our members failed to file claims within the time allowed by the ruling and lost a week of benefits. The union feels that rulings of this nature should be well publicized, not only in newspapers but through television and radio, and it hopes that in the event a similar situation arises in the future pertinent rulings will be given maximum coverage.

More Interviewers Required

The processing of claims and the payment of benefit checks proceed in a most orderly fashion. Delayed benefit payments are a rare occurrence, once the claim has been either approved by the local UI office or adjudicated.

Claimants, however, are still required to wait extended periods of time in local offices for necessary interviews. The union has urged and will continue to urge that more funds be made available to the State agency so that an adequate number of interviewers may be hired to insure maximum efficiency.

The relationship between the union and the State agency, the personnel of the local offices, the counsel's office, and the adjudicating authorities has been most satisfactory. The union has never had occasion to complain about bureaucratic inefficiency or disinterest on the part of the agency's higher officials. They have administered the law humanely, ever bearing in mind the social welfare purposes that prompted its enactment.

The union looks forward to many years of satisfactory cooperation with the administrative authorities to the end that the public may be well served under the provisions of this far-reaching social insurance law.

Unemployment Insurance Financial Developments

Calendar Year 1966

Paschal C. Zecca

THE SIXTH YEAR of economic expansion was clearly reflected in unemployment insurance financial experience during calendar year 1966. State unemployment insurance reserve funds continued to climb and reached a record total of $9.8 billion (a rise of 17.6 percent from the level a year earlier) as total revenue exceeded total expenditures by $1.5 billion (table 1). This increase in reserves resulted primarily from the decline in benefit payments to $1.8 billion (18.2 percent below the previous year), tax collections of $3.0 billion (less than a 1-percent drop), and interest credited to State reserve balances in the Unemployment Trust Fund amounting to $329 million (a 23.9-percent increase).

Changes in reserve fund adequacy, as well as in other financial indices of unemployment insurance, are more reliably measured when related to the amount of total wages earned in covered employment. The $9.8 billion in total reserves on December 31, 1966, represented 3.63 percent of total wages paid in covered employment during the year, compared with 3.24 percent for the previous year. The $1.8 billion in benefit payments in 1966 represented a national cost rate of 0.65 percent of total wages and 1.16 percent of taxable wages, compared with the corresponding figures of 0.84 percent and 1.50 percent for 1965.

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Trends in Employment, Wages, and Benefits

Record levels were achieved in many sectors of the economy, although there developed some uneven patterns and striking differences in the rate of expansion. The data shown in table 2 provide not only the significant details of the unemployment insurance programs but also comprehensive measures of economic activity. The number of persons at work in 1966 was substantially higher than in the previous year. Average monthly total employment rose 1.8 million, from 71.1 million to 72.9 million. Total unemployment fell from 3.4 million (representing 4.5 percent of the civilian labor force) to 2.9 million (or 3.8 percent of the civilian labor force).

Significant gains were also evident in the sector of the economy covered by the unemployment insurance program. Average weekly insured

TABLE 1. SUMMARY OF FINANCIAL ACTIVITIES OF STATE UNEMPLOYMENT INSURANCE FUNDS, CALENDAR YEAR 1966

(in thousands)

State	Available reserve fund as of Dec. 31, 1965 1/	Revenue during year				Disbursements during year				Available reserve fund as of Dec. 31, 1966 1/
		Total revenue	Contributions collected 2/	Interest earned	Transfers to State accounts 3/	Total disbursements	Benefits paid	Penalties and interest 4/	Transfers out of State accounts 5/	
UNITED STATES...	$8,357,350	$3,365,434	$3,030,343	$329,456	$5,635	$1,894,548	$1,771,298	$156	$123,094	$9,828,239
Alabama.....	91,146	31,277	27,570	3,639	68	16,884	16,694	--	190	105,541
Alaska.....	16,168	10,678	10,250	338	90	6,586	6,586	--	--	20,260
Arizona.....	65,308	17,911	15,334	2,552	25	10,009	9,902	--	107	73,210
Arkansas.....	33,097	17,956	16,602	1,347	7	9,957	9,954	--	3	41,098
California.....	659,689	572,530	544,506	26,832	1,192	412,716	412,716	--	--	819,502
Colorado.....	62,794	18,146	15,694	2,452	--	9,238	9,238	--	--	71,699
Connecticut.....	205,115	66,583	57,623	8,305	655	25,551	25,530	21	--	246,147
Delaware.....	24,454	7,093	6,160	933	---	5,818	5,818	--	--	25,729
Dist. of Col....	65,072	11,221	8,757	2,464	--	7,323	7,323	--	--	68,969
Florida.....	182,184	41,027	33,702	7,238	87	17,607	17,287	--	320	205,603
Georgia.....	197,894	42,775	34,888	7,886	1	13,882	13,560	--	322	226,787
Hawaii.....	23,188	11,832	10,884	933	15	7,699	7,639	--	60	27,322
Idaho.....	32,447	10,213	8,945	1,268	--	6,041	6,041	--	--	36,619
Illinois.....	545,090	105,938	84,781	20,638	519	70,561	70,514	47	--	580,468
Indiana.....	186,016	60,889	52,827	7,577	485	20,922	20,918	4	--	225,982
Iowa.....	118,120	14,024	9,487	4,443	94	7,627	7,627	--	--	124,516
Kansas.....	65,333	19,491	16,903	2,573	15	9,622	9,504	--	118	75,203
Kentucky.....	123,986	29,612	24,811	4,801	--	14,883	14,883	--	--	138,715
Louisiana.....	128,402	41,844	36,574	5,137	133	19,631	19,631	--	--	150,615
Maine.....	35,255	11,101	9,650	1,387	64	6,478	6,478	--	--	39,878
Maryland.....	177,062	53,345	46,243	7,102	--	21,697	21,697	--	--	208,710
Massachusetts...	229,688	148,741	139,185	9,391	165	86,721	86,721	--	--	291,708
Michigan.....	515,258	199,217	180,591	18,430	196	106,897	78,097	--	28,800	607,579
Minnesota.....	27,781	43,675	42,324	1,322	29	19,702	19,651	51	--	51,753
Mississippi.....	63,591	16,867	14,255	2,545	67	6,353	6,077	--	276	74,105
Missouri.....	241,074	54,547	45,094	9,373	80	29,390	29,159	--	231	266,231
Montana.....	20,087	6,424	5,667	735	22	5,320	5,320	--	--	21,190
Nebraska.....	42,305	9,314	7,696	1,594	24	6,073	6,050	--	23	45,547
Nevada.....	29,369	11,307	10,234	1,073	--	11,359	11,359	--	--	29,317
New Hampshire...	30,830	8,074	6,791	1,258	25	1,891	1,891	--	--	37,013
New Jersey.....	316,756	157,418	144,947	12,434	37	105,041	105,041	--	--	369,135
New Mexico.....	35,882	8,219	6,837	1,356	26	6,250	6,180	--	70	37,851
New York.....	1,305,870	483,597	432,583	50,984	30	316,496	316,134	--	362	1,472,972
North Carolina..	245,069	54,472	44,827	9,645	--	20,962	20,962	--	--	278,579
North Dakota....	7,716	5,426	5,179	247	--	5,530	5,530	--	--	7,612
Ohio.....	366,882	201,346	184,558	16,217	571	52,976	52,320	--	656	515,251
Oklahoma.....	49,676	17,238	15,289	1,949	--	10,511	10,511	--	--	56,403
Oregon.....	98,481	36,882	32,927	3,925	30	21,091	21,091	--	--	114,273
Pennsylvania....	394,465	318,556	302,903	15,651	2	177,021	86,550	--	90,471	536,001
Puerto Rico.....	55,184	23,970	21,746	2,223	1	15,138	15,138	--	--	64,015
Rhode Island....	55,737	21,693	19,489	2,204	--	12,528	11,816	--	712	64,902
South Carolina..	97,933	25,704	21,743	3,918	43	9,801	9,801	--	--	113,835
South Dakota....	15,284	2,735	2,166	569	--	1,824	1,824	--	--	16,194
Tennessee.....	110,270	51,381	46,604	4,625	152	18,742	18,742	--	--	142,910
Texas.....	255,817	66,531	56,177	10,084	270	29,782	29,553	--	229	292,566
Utah.....	37,406	12,094	10,676	1,417	1	9,039	9,038	--	1	40,461
Vermont.....	8,734	9,455	9,026	429	--	3,185	3,180	5	--	15,004
Virginia.....	151,910	25,002	18,891	5,916	195	7,402	7,402	--	--	169,510
Washington.....	216,498	66,738	57,836	8,749	153	31,735	31,707	28	--	251,502
West Virginia...	63,818	18,788	16,271	2,490	27	9,721	9,721	--	--	72,886
Wisconsin.....	219,777	60,144	51,662	8,445	37	33,053	32,909	--	144	246,869
Wyoming.....	10,383	4,391	3,980	411	--	2,281	2,281	--	--	12,492

1/ Represents sum of balances at end of month in States' clearing account and benefit-payment account, and in State Unemployment Trust Fund Account in the U. S. Treasury; State Unemployment Trust Fund balance in U. S. Treasury includes amounts credited to States' accounts in the Unemployment Trust Fund under the provisions of the Employment Security Administrative Financing Act of 1954 as amended. Includes outstanding advances from Federal account in Unemployment Trust Fund as follows:

Dec. 31, 1965		Dec. 31, 1966	
Alaska.....	$7,888,178	Alaska.....	$7,677,108
Michigan.....	80,787,298	Michigan.....	71,187,298
Pennsylvania...	74,131,000	Pennsylvania...	- 0 -

2/ Data represent contributions, penalties, and interest from employers, and contributions from employees in three States (Alabama, Alaska, and New Jersey) which tax workers. Adjusted for refunds and for dishonored contribution checks.

3/ Includes amount of reimbursements from the Federal Extended Compensation Account (TEC Act 1961), Manpower Development Training Act of 1962, as amended, and the Temporary Unemployment Compensation Act of 1958 to the Unemployment Trust Fund Account.

4/ Represents penalties and interest collected from delinquent employers and transferred to States' special administrative fund.

5/ Includes funds withdrawn from the Unemployment Trust Fund for administration and for restoration of funds made available to the States in 1958 under the Temporary Unemployment Compensation Act of 1958 (TUC).

TABLE 2. NONINSTITUTIONAL POPULATION, THE LABOR FORCE,

Calendar Year	CIVILIAN POPULATION AND LABOR FORCE 1/ (average monthly number of persons in millions)								SELECTED UNEMPLOYMENT		
	Population	Labor force	Employed			Unemployed	Not in labor force	Average monthly covered employment (in millions)	Wages in covered employment (in millions)		Average weekly insured unemployment (in millions)
			Total	Nonagricultural	Agricultural				Total	Taxable	
1954...	108.3	63.6	60.1	53.9	6.2	3.5	44.7	35.4	$137,069	$96,539	1.86
1955...	109.7	65.0	62.2	55.7	6.4	2.9	44.7	36.6	148,638	101,575	1.25
1956...	111.0	66.6	63.8	57.5	6.3	2.8	44.4	39.0	164,508	109,816	1.21
1957...	112.2	66.9	64.1	58.1	5.9	2.9	45.3	39.7	173,644	112,826	1.45
1958...	113.7	67.6	63.0	57.5	5.6	4.6	46.1	38.1	171,521	109,144	2.51
1959...	115.4	68.4	64.6	59.1	5.6	3.7	47.0	39.5	186,897	115,272	1.68
1960...	117.2	69.6	65.8	60.3	5.5	3.9	47.6	40.2	195,086	119,260	1.91
1961...	118.8	70.5	65.7	60.5	5.2	4.7	48.3	40.1	199,044	119,371	2.29
1962...	120.1	70.6	66.7	61.8	4.9	3.9	49.5	41.3	212,576	125,497	1.78
1963...	122.4	71.8	67.8	63.1	4.7	4.1	50.6	42.0	222,979	129,586	1.79
1964...	124.5	73.1	69.3	64.8	4.5	3.8	51.4	43.2	239,159	136,326	1.61
1965...	126.6	74.5	71.1	66.7	4.4	3.4	52.1	45.1	257,914	143,959	1.33
1966...	128.1	75.8	72.9	68.9	4.0	2.9	52.3	3/	3/	3/	1.06

1/ Excludes inmates of institutions, persons under 16 years of age, and members of the Armed Forces.

2/ For total unemployment only.

3/ Not available.

unemployment (which includes waiting period claims) declined to 1.1 million—a one-fifth decrease from the previous year. A marked decline of one-fifth also occurred in the average weekly number of beneficiaries—900,000. For the year as a whole, the number of beneficiaries receiving one or more benefit payments (as indicated by the number of first payments) amounted to 4.1 million—a one-seventh drop. In addition, the duration of their unemployment was shorter. The improved opportunity for reemployment of persons drawing benefits brought the average duration of compensable unemployment down to 11.2 weeks during 1966—the lowest figure since 1953. The average weekly benefit check for total unemployment was $39.76, which was $2.57 more than in 1965. The number of beneficiaries who exhausted their benefits dropped by 300,000 from 1.1 million to 800,000.

State Differences

Benefit payments.—Most States paid out less in benefits in 1966 than in 1965 (table 3). There were only eight States in which benefit payments exceeded those of the previous year. The largest relative increase occurred in Michigan (32.0 percent), followed by Alaska (19.3) and Delaware (15.0). In the other five States, the increases were small—less than 4 percent.

In the 44 States where benefit payments were lower than in the previous year, the decreases ranged from 0.4 percent in Maine to 52.4 percent in New Hampshire. Other States that had substantial decreases in aggregate benefit payments were Arizona (41.4 percent), Texas (36.9), and Kansas (35.9).

Similarly, benefit cost rates (benefit payments as percentages of aggregate payrolls, taxable or total) were significantly lower for most of the States in 1966. Only three States (Alaska, Delaware, and Michigan) experienced increases in their benefit cost rates, on either basis. Taking benefit payments as a percent of *total* wages rather than *taxable* wages provides a more reliable measure for comparing program costs, since changes in total wages have a closer relationship to changes in benefit amounts and their duration, which are not limited in most States to the taxable wage limit. As in the case of cost rates based on taxable wages,

INSURANCE DATA, STATE PROGRAMS

Average weekly number of beneficiaries (in millions)	Benefit Payments				UI Financial Operations (amounts in millions)				
	Average weekly amount 2/	Average actual duration (weeks)	First payments (in millions)	Final payments (exhaustions, in millions)	Collections	Interest credited	Benefits paid	Reserve funds available, Dec. 31	Calendar Year
1.61	$24.93	12.8	6.59	1.77	$1,136.2	$198.6	$2,026.9	$8,219.1	...1954
1.08	25.04	12.4	4.51	1.27	1,208.8	185.0	1,350.3	8,263.9	...1955
1.02	27.02	11.4	4.66	.98	1,463.3	199.6	1,380.7	8,573.6	...1956
1.23	28.17	11.6	5.72	1.14	1,544.3	220.4	1,733.9	8,662.1	...1957
2.22	30.54	14.8	7.83	2.50	1,471.0	199.0	3,512.7	6,952.7	...1958
1.46	30.40	13.1	5.82	1.67	1,955.7	177.9	2,279.0	6,892.2	...1959
1.64	32.87	12.7	6.75	1.60	2,288.5	194.5	2,726.7	6,643.3	...1960
2.00	33.80	14.7	7.07	2.37	2,449.7	176.1	3,422.7	5,802.0	...1961
1.53	34.56	13.1	6.07	1.64	2,952.1	173.4	2,675.4	6,272.9	...1962
1.54	35.28	13.3	6.04	1.57	3,019.1	194.5	2,774.7	6,648.0	...1963
1.37	35.96	13.0	5.50	1.37	3,047.6	224.8	2,522.1	7,296.2	...1964
1.13	37.19	12.2	4.81	1.09	3,053.5	265.8	2,166.0	8,357.4	...1965
.90	39.76	11.2	4.14	.78	3,030.3	329.4	1,771.3	9,828.2	...1966

cost rates computed in terms of total wages varied considerably by State, ranging from 0.17 percent in Virginia and 0.23 percent in New Hampshire to 1.62 percent in Puerto Rico and 1.81 percent in Alaska.[1]

Tax collections.—The amount of tax collections depends on the average employer contribution rate and the aggregate amount of taxable wages. In contrast to the figure for the Nation as a whole, in 30 States collections in 1966 were higher than in the previous year, with the increases ranging from 0.1 percent in Nevada and 0.4 percent in Colorado to 37.2 percent in Minnesota and 51.6 percent in Vermont. Increases in the latter States in taxable payroll and in tax rates assigned to employers contributed to higher tax collections in both States. Most of the increases among the 30 States, however, were concentrated within a narrow range. In six States, collections were 10 percent or more above the previous year, while 15 States showed an increase of less than 5 percent.

Of the 21 States that showed decreases in 1966, the largest decline occurred in Delaware (33.0 percent) and the next largest in Illinois (32.9 percent). In both States the drop in revenue was due to lower tax rates assigned to employers.

Reserves.—Paralleling the rise in total reserves, individual State reserve balances increased in all but two States. The largest rise occurred in Minnesota (86.3 percent), as a result of the increase in the taxable wage base from $3,000 to $4,800 and the higher employer tax rates. Six other States also had increases of at least 25 percent—Vermont (71.8 percent), Ohio (40.4), Pennsylvania (35.9), Tennessee (29.6), Massachusetts (27.0), and Alaska (25.3). Among the other States where yearend reserves in 1966 increased, the rises ranged from 20 to 24 percent in six States, from 10 to 19 percent in 28 States, and below 10 percent in nine States. In the two States where reserve balances dropped during the year, the declines were not significant—Nevada (−0.2 percent) and North Dakota (−1.3).

The ratio of reserves to taxable or total wages also provides a better measure of reserve accumulation. At the end of calendar year 1966 all States except five experienced increases in their reserve ratios from the end of the preceding year. Reserves taken as a percent of taxable wages ranged from 1.95 percent in Minnesota to 10.96 percent in Washington; on the basis of total wages, the reserve ratio varied from 1.15 percent in Minnesota to 6.83 percent in Puerto Rico.

[1] Since cost rates (as well as other ratios) for 1966, as shown in table 3, are based on wages for the 12 months ending June 1966, the 1966 figures are not final.

TABLE 3. SELECTED FINANCIAL DATA ON STATE UNEMPLOYMENT INSURANCE PROGRAMS, CALENDAR YEARS 1965 AND 1966
BENEFITS, RESERVES, AND EMPLOYER TAX RATES

State	Tax base $3,000 except as shown, with effective dates 1/	Average employer tax rate: contributions due as a percent of--				Cost rate: Benefits as a percent of--				Reserve ratio: Funds available as of December 31, as a percent of--			
		Taxable wages 1/		Total wages		Taxable wages 1/		Total wages		Taxable wages 1/		Total wages	
		1966 2/	1965	1966 3/	1965	1966 4/	1965	1966 4/	1965	1966 4/	1965	1966 4/	1965
UNITED STATES..		2.0	2.12	1.1	1.18	1.16	1.50	.65	.84	6.43	5.81	3.63	3.24
Alabama.....		5/1.1	5/1.30	5/ .6	5/ .78	.88	.91	.53	.54	5.58	5.10	3.37	3.05
Alaska.....	$7,200 (1/60)	5/2.9	5/2.93	5/2.3	5/2.34	2.26	1.93	1.81	1.55	6/6.96	6/5.67	6/5.57	6/4.53
Arizona.....	3,600 (1/65)	1.5	1.37	1.0	.86	.96	1.74	.60	1.09	7.12	6.73	4.45	4.21
Arkansas.....		1.6	1.56	1.1	1.07	.98	1.27	.68	.87	4.06	3.50	2.81	2.40
California.....	4,100 (1/66)	2.8	2.97	1.7	1.77	2.24	3.11	1.36	1.84	4.45	3.84	2.71	2.28
Colorado.....		1.3	1.27	.7	.70	.74	1.06	.41	.58	5.75	5.33	3.17	2.92
Connecticut....		2.1	2.10	1.0	1.08	.95	1.38	.49	.71	9.17	8.04	4.72	4.12
Delaware.....	3,600 (1/55)	1.1	1.75	.6	.96	1.07	.99	.59	.54	4.75	4.79	2.63	2.63
Dist. of Col...		.9	1.00	.5	.52	.83	1.07	.43	.56	7.78	7.58	4.07	3.97
Florida.....		1.0	1.16	.6	.70	.48	.60	.29	.36	5.73	5.39	3.47	3.25
Georgia.....		1.3	1.26	.8	.77	.48	.59	.29	.36	7.98	7.47	4.93	4.57
Hawaii.....	4,300 (1/66)	1.8	1.86	1.3	1.32	1.27	1.31	.91	.93	4.53	4.11	3.24	2.91
Idaho.....	3,600 (1/63)	2.0	2.22	1.3	1.49	1.36	1.43	.92	.96	8.24	7.72	5.57	5.18
Illinois.....		.8	1.36	.4	.68	.74	1.00	.37	.49	6.12	6.07	3.06	3.01
Indiana.....		1.3	1.14	.7	.59	.51	.65	.27	.34	5.50	4.82	2.89	2.51
Iowa.....		.5	.70	.3	.39	.50	.58	.28	.32	8.14	8.29	4.54	4.58
Kansas.....		1.4	1.44	.8	.82	.82	1.36	.47	.77	6.52	5.99	3.70	3.38
Kentucky.....		1.2	1.90	.7	1.11	.93	1.32	.55	.77	8.62	8.20	5.11	4.80
Louisiana.....		1.8	1.80	1.0	1.03	.96	1.23	.56	.70	7.36	6.77	4.26	3.87
Maine.....		1.5	1.71	.9	1.09	1.02	1.08	.65	.69	6.29	5.88	4.01	3.73
Maryland.....		1.9	2.29	1.0	1.28	.88	1.25	.49	.69	8.43	7.54	4.72	4.21
Massachusetts..	3,600 (1/62)	2.5	2.61	1.5	1.59	1.58	2.02	.97	1.23	5.33	4.41	3.25	2.69
Michigan.....	3,600 (4/63)	2.2	2.30	1.1	1.22	.96	.79	.52	.42	6/7.50	6/6.93	6/4.04	6/3.66
Minnesota.....	4,800 (1/66)	1.4	1.39	1.0	.73	.74	1.22	.44	.64	1.95	1.24	1.15	.65
Mississippi....		1.4	2.10	.9	1.42	.61	.82	.41	.56	7.41	6.83	5.05	4.62
Missouri.....		1.4	1.41	.7	.75	.88	.98	.47	.52	8.00	7.63	4.27	4.05
Montana.....		1.5	1.55	.9	.95	1.43	1.70	.88	1.04	5.71	5.58	3.49	3.40
Nebraska.....		1.0	1.01	.5	.59	.80	1.20	.47	.70	6.04	5.88	3.54	3.42
Nevada.....	3,800 (4/65)	2.0	1.97	1.3	1.27	2.18	2.23	1.41	1.45	5.62	5.80	3.65	3.76
New Hampshire..		1.3	1.65	.8	1.02	.37	.84	.23	.52	7.20	6.49	4.50	4.00
New Jersey.....		5/2.3	5/2.33	5/1.1	5/1.18	1.87	2.31	.94	1.17	6.57	5.90	3.32	2.98
New Mexico.....		1.3	1.31	.7	.77	1.18	1.41	.69	.82	7.23	7.00	4.22	4.09
New York.....		2.9	3.04	1.4	1.53	1.88	2.27	.95	1.14	8.78	8.09	4.42	4.07
North Carolina.		1.2	1.47	.8	.96	.62	.83	.41	.54	8.29	7.87	5.49	5.15
North Dakota...		2.4	2.34	1.4	1.41	2.39	2.50	1.43	1.51	3.29	3.40	1.97	2.05
Ohio.....		2.1	2.46	1.0	1.22	.62	.92	.31	.45	6.10	4.58	3.03	2.27
Oklahoma.....		1.2	1.39	.7	.80	.82	1.10	.47	.63	4.42	4.08	2.54	2.33
Oregon.....	3,600 (1/65)	1.9	1.96	1.2	1.23	1.26	1.41	.79	.88	6.81	6.18	4.31	3.89
Pennsylvania...	3,600 (1/64)	2.7	2.96	1.6	1.78	.80	1.15	.48	.69	6/4.94	6/3.82	6/2.99	6/2.30
Puerto Rico....		2.7	2.71	2.1	2.18	1.98	2.44	1.62	1.97	8.45	7.79	6.83	6.27
Rhode Island...	3,600 (1/56)	2.3	2.69	1.5	1.77	1.40	1.47	.93	.97	7.71	6.96	5.09	4.58
South Carolina.		1.3	1.37	.8	.90	.62	.82	.41	.54	7.22	6.74	4.81	4.44
South Dakota...		.8	.96	.5	.58	.80	1.17	.49	.71	7.12	6.90	4.32	4.17
Tennessee.....	3,300 (1/63)	1.8	1.77	1.1	1.15	.72	.95	.47	.62	8.92	4.57	3.60	2.96
Texas.....		.8	.90	.5	.51	.46	.77	.26	.44	4.57	4.22	2.62	2.41
Utah.....	4,200 (1/64)	1.5	1.49	1.0	1.01	1.27	1.78	.86	1.21	5.67	5.37	3.82	3.64
Vermont.....	3,600 (1/64)	2.9	2.24	2.0	1.54	1.03	1.51	.71	1.04	4.84	3.10	3.37	2.13
Virginia.....		.7	.79	.4	.47	.28	.41	.17	.25	6.50	6.14	3.95	3.70
Washington.....		2.7	2.69	1.4	1.42	1.38	2.21	.73	1.16	10.96	10.30	5.83	5.41
West Virginia..	3,600 (1/62)	1.3	1.26	.8	.77	.81	1.08	.50	.66	6.06	5.52	3.73	3.38
Wisconsin.....	3,600 (1/66)	1.5	1.67	.9	.86	1.03	1.23	.57	.63	7.76	7.71	4.29	3.99
Wyoming.....		2.2	2.19	1.3	1.33	1.19	1.47	.72	.89	6.52	5.38	3.93	3.27

1/ Taxable wages are those portions of the aggregate wages in covered employment which are subject to State unemployment insurance taxes. Taxable wages are limited to the first $3,000 of earnings in all States except 18.

2/ Estimates of average employer tax rates prepared by State employment security agencies.

3/ Estimated by Bureau of Employment Security.

4/ Due to 6-month lag in reporting wages, tax and cost rates and reserve ratios for December 31, 1966, have, as their base, wages for the 12-month period ending 6 months prior.

5/ Excludes employee contributions.

6/ The reserve on which this ratio is based includes the amount advanced from the Federal Unemployment Account in the Federal Unemployment Trust Fund and not repaid. See table 1, footnote 1.

Adequacy of Reserves

A strengthening of the financial position of most States over the year is clearly indicated by showing the extent to which current reserves (in terms of dollar reserves as a percent of total wages) could finance benefit payments (expressed as a percent of total wages) of the level during the worst 12-month period in the last decade. The resulting multiple of reserve ratio to the highest consecutive 12-month cost rate provides a good overall indicator of how adequate the reserves are for meeting future recession costs. A reserve multiple of 1.5 indicates the minimum adequate reserve level necessary to meet the full cost of a recession.

State reserves on December 31, 1966, representing 3.63 percent of total wages, amounted to 1.77 times the highest 12-month benefit cost rate (2.05 percent) during the previous 10-year period, compared with a multiple of 1.58 at the end of the previous year (table 4). Only four States did not increase their reserve multiple from the previous year. The increase in the reserve multiple, indicating improvement in fund solvency, was particularly significant among the States with relatively low reserve multiples. Of the 20 States with a reserve multiple of less than 1.50 on December 31, 1965, 18 had a higher multiple 1 year later, on December 31, 1966, with six of these moving above the 1.50 figure. The net result of these movements was that on December 31, 1966, 12 States had a reserve multiple of less than 1.50, compared with 20 States at the end of the previous year. Taking the upper end of the range, States with a reserve multiple of at least 2.00 numbered 25, compared with 22 States previously, while a multiple of at least 3.00 was indicated by 12 States and eight States, respectively. The following table shows the distribution of States by this multiple for the two periods.

Reserve multiple interval	Number of States as of—	
	Dec. 31, 1966	Dec. 31, 1965
Total	52	52
Less than 1.00	2	5
1.00 to 1.49	10	15
1.50 to 1.99	15	10
2.00 to 2.99	13	14
3.00 to 3.99	8	5
4.00 and over	4	3

TABLE 4. RESERVE RATIO (RESERVES AS PERCENT OF TOTAL WAGES) AT END OF SPECIFIED PERIOD AS A MULTIPLE OF HIGHEST 12-MONTH BENEFIT COST RATE (BENEFIT PAYMENTS AS A PERCENT OF TOTAL WAGES) DURING THE PRECEDING 10-YEAR PERIOD

State	December 31, 1966		December 31, 1965			
	Reserve ratio 1/ (Percent)	Multiple of reserve ratio to highest cost 2/	Reserve ratio (Percent)	Highest consecutive 12-month cost rate 1956-1965		Multiple of reserve ratio to highest cost
				Rate (Percent)	12 months ending	
UNITED STATES	3.63	1.77	3.24	2.05	Dec '58	1.58
Alabama	3.37	1.75	3.05	1.93	Nov '58	1.58
Alaska	3/ 5.57	1.29	3/ 4.53	4.33	Aug '58	1.05
Arizona	4.45	3.84	4.21	1.16	Sep '65	3.63
Arkansas	2.81	1.60	2.40	1.76	Aug '61	1.36
California	2.71	1.20	2.28	2.26	May '61	1.01
Colorado	3.17	2.52	2.92	1.26	May '63	2.32
Connecticut	4.72	1.64	4.12	2.87	Jan '59	1.44
Delaware	2.63	1.64	2.63	1.60	Feb '59	1.64
Dist. of Col	4.07	5.29	3.97	.77	Jan '64	5.16
Florida	3.47	3.07	3.25	1.13	Oct '61	2.88
Georgia	4.93	3.10	4.57	1.59	Nov '58	2.87
Hawaii	3.24	1.75	2.91	1.85	Jul '62	1.57
Idaho	5.57	2.49	5.18	2.24	Aug '61	2.31
Illinois	3.06	1.78	3.01	1.72	Feb '59	1.75
Indiana	2.89	1.67	2.51	1.73	Nov '58	1.45
Iowa	4.54	4.68	4.58	.97	Dec '61	4.72
Kansas	3.70	2.70	3.38	1.37	Feb '61	2.47
Kentucky	5.11	1.84	4.80	2.77	Oct '58	1.73
Louisiana	4.26	2.18	3.87	1.95	Oct '61	1.98
Maine	4.01	1.41	3.73	2.84	Oct '58	1.31
Maryland	4.72	2.16	4.21	2.19	Dec '58	1.92
Massachusetts	3.25	1.58	2.69	2.06	Oct '58	1.31
Michigan	3/ 4.04	1.09	3/ 3.66	3.69	Dec '58	.99
Minnesota	1.15	.68	.65	1.70	Dec '58	.38
Mississippi	5.05	2.56	4.62	1.97	Aug '61	2.35
Missouri	4.27	3.39	4.05	1.26	Nov '58	3.21
Montana	3.49	1.15	3.40	3.03	Oct '58	1.12
Nebraska	3.54	3.61	3.42	.98	Oct '58	3.49
Nevada	3.65	1.33	3.76	2.75	Oct '58	1.37
New Hampshire	4.50	2.46	4.00	1.83	Nov '58	2.19
New Jersey	3.32	1.26	2.98	2.63	Nov '58	1.13
New Mexico	4.22	2.57	4.09	1.64	Oct '61	2.49
New York	4.42	2.03	4.08	2.18	Feb '59	1.87
North Carolina	5.49	3.02	5.15	1.82	Oct '58	2.83
North Dakota	1.97	1.06	2.05	1.86	Nov '61	1.10
Ohio	3.03	1.24	2.27	2.44	Dec '58	.93
Oklahoma	2.54	1.90	2.33	1.34	Aug '61	1.74
Oregon	4.31	1.51	3.89	2.85	Sep '58	1.36
Pennsylvania	3/ 2.99	.99	3/ 2.30	3.02	Jan '59	.76
Puerto Rico 4/	6.83	3.24	6.27	2.11	Nov '64	2.97
Rhode Island	5.09	1.71	4.58	2.97	Sep '58	1.54
South Carolina	4.81	3.54	4.44	1.36	Sep '58	3.26
South Dakota	4.32	4.15	4.17	1.04	Jan '64	4.01
Tennessee	3.60	1.65	2.96	2.18	Jan '58	1.36
Texas	2.62	2.67	2.41	.98	Jan '59	2.46
Utah	3.82	2.77	3.64	1.38	Nov '58	2.64
Vermont	3.37	1.55	2.13	2.17	Oct '61	.98
Virginia	3.95	4.07	3.70	.97	Jan '59	3.81
Washington	5.83	2.65	5.41	2.20	May '61	2.46
West Virginia	3.73	1.42	3.38	2.63	Jan '59	1.29
Wisconsin	4.89	2.36	3.99	1.82	Jan '59	2.19
Wyoming	3.93	1.61	3.27	2.44	May '63	1.34

1/ Due to a 6-month lag in reporting wages, reserve ratios and cost rates for December 31, 1966 have, as their base, wages for the 12-month period ending 6 months prior.
2/ No change in high cost rate since December 31, 1965.
3/ The reserve on which this ratio is based includes the amount advanced from the Federal Unemployment Account in the Federal Unemployment Trust Fund and not repaid. See table 2, footnote 1.
4/ Puerto Rico covered under Federal Unemployment Tax Act, January 1, 1961.

Status of the Loan Fund

The Federal Unemployment Account, which is the source of noninterest bearing advances to States with low-reserve funds, had a cash balance of $380,286,617 on December 31, 1966—over $159 million more than the balance at the end of the previous year. This increase resulted from (1) repayment of $83,942,070 in loan indebtedness incurred by three States; (2) interest earnings of $15,642,718 on the total assets of the loan fund; and (3) an excess of $59,582,012 in Federal taxes collected above administrative costs during fiscal year 1966. In addition, there were loans still outstanding amounting to $78,864,406, bringing the total amount of assets in the fund to $459,151,023. Two States have outstanding loans—Alaska with $7,677,108 and Michigan with $71,187,298. Pennsylvania has made its final repayment of $74,131,000 on the original loan of $112 million.

Unemployment Insurance Decisions*

Barefoot Girl

California.—A woman worker wearing open-toed shoes burned a foot when a soldering pot overturned. As a result, the plant safety committee, composed of union and employer representatives, recommended a rule that all women employees must wear shoes with closed toes and heels. This rule was adopted by the company. The claimant, who wore size 10 triple A shoes, was reprimanded twice for wearing open-toed sandals in violation of the rule. Subsequently, she wore her one pair of closed shoes, but said they hurt her corns. One day, 15 minutes before closing time, she removed her shoes to relieve the pain and continued to work. For this she was discharged.

The Appeals Board held that the claimant was discharged for misconduct connected with her work. The Board concluded: "As the employer contends, the claimant knowingly violated its rule. This rule was both reasonable and important. The claimant's testimony that in a period of 2 months she was unable to obtain utility footwear which would adequately cover her feet is not convincing. Moreover, if the claimant was unable to continue working under the conditions imposed by the employer and by circumstances, she owed a duty to the employer to notify it of this fact and secure permission for a deviation from the rule or for permission to leave the work area to allow an opportunity to relax her feet." (Case No. 66–5175, Feb. 8, 1967.)

An Unexpected Result

Florida.—The manager of a title insurance firm called a secretary into his office to discuss a proposed new work assignment for her. Because of the resignation of another employee, it was proposed that she should become the secretary to an attorney in the firm. The manager told her to "sleep" on the proposal and let him know of her decision in the morning. The next day, the manager asked her if she had made her decision, and her response was to give him a typewritten, two-page diatribe in which she said she liked what she was doing and then proceeded to make accusations about other personnel. After reading the statement, the manager asked her to offer proof of her allegations. She replied that she was not interested in proving anything. She was discharged. The appeals referee held that she was discharged for misconduct connected with her work. (Decision Docket No. 66–4020U, aff. by Board of Review Decision No. 67–58, Feb. 28, 1967.)

No Crystal Ball

Louisiana.—The claimant worked as a toll operator for a telephone company for 15 years. During that time she had suffered some serious illnesses which had necessitated absence from work, but she had furnished medical evidence. The company had a three-stage warning policy regarding absences: First, the individual would be counseled; second, warned and suspended for a period of time; and third, dismissed. The claimant had been counseled several times but had never been warned or suspended. On her last day of work, the district manager asked the claimant to tell him specifically that for a certain period of time she would not miss another day from work. If she did not give this assurance, she would be dismissed. If she resigned, she would be paid termination allowance; if she did not resign but was fired, she would probably not receive her termination allowance. The claimant resigned.

The Board of Review concluded that the claimant was forced into an involuntary resignation because of the fact that she could not foresee the future to tell her employer that she would not be sick or miss another day's work during a specified time. In the Board's opinion this was an unreasonable request and she was held not to be disqualified. (Docket No. 80–BR–67, Mar. 9, 1967.)

Child's Play

Oklahoma.—The claimant took a Christmas stocking away from the employer's 5-year-old son because the child hit him with the stocking while he was working. About 15 minutes later, the child hit the claimant with a toy gun and broke the frames of his glasses so that he could not wear them. The frames had already been broken in one place but he had been able to wear them. The frames were broken further in two other places when the child hit the claimant with the toy gun. He went to lunch and reported back to the employer that he had had his eyes checked and that it would cost $28 to replace his glasses. The employer then called an optical company and described the frames of the claimant's glasses. He offered to pay the amount the optical company quoted for mounting the claimant's old lenses in new frames. The claimant did not accept the offer because the frames the employer offered to buy sold for $10 and the claimant wanted frames that were priced at $15. The claimant quit because of this incident. The referee concluded: "Since the employer offered to replace the part of the claimant's glasses broken by his son the claimant did not have good cause connected with the work to voluntarily leave his employment." (Decision No. 383–AT–67, Feb. 23, 1967.)

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Not a Drop to Drink

South Dakota.—A paving crew laborer had carried to the jobsite a gallon of drinking water, but it had been consumed during the course of the day. The temperature reached 110° and he and several other employees requested the employer to provide drinking water on the job, but no water was supplied. The foreman finally announced that the crew would be able to "make it" without any water. The claimant finished out his work shift and then quit because of the employer's failure to furnish drinking water. The claimant testified that this contractor had no water for drinking at the jobsite but had gotten water for the employees on a few previous occasions. Other contractors customarily provided drinking water for their employees. The referee held that the claimant quit with good cause attributable to the employer and the employment. (Appeal No. 6599, Apr. 7, 1967.)

Trends in The Economy*

MANY major economic indicators moved in crosscurrents in April. Industrial production, despite strong demands generated by increasing U.S. military needs, eased slightly, while retail sales continued the lackluster performance of recent months. On the more positive side, personal income was higher than in March; however, the month-to-month gain was the slimmest in over 2 years. Residential construction showed a slightly improved picture, with the rate of nonfarm housing starts edging up and with the permit pace advancing strongly. No significant changes in the job situation occurred in April; employment totals expanded only slightly, and the unemployment rate of 3.7 percent held at the low levels of recent months.

Business Activities

Industrial production slipped in April to a seasonally adjusted 155.9 percent (1957–59=100) from 156.4 percent in March. This easing reflected the continuing sluggishness in the private sector of the economy. The output index has declined in each successive month since December, except for March when it remained unchanged from the previous month. Compared with a year earlier, industrial production was up by only 1.3 percent.

The index for all manufacturing industries moved down from 158.3 percent to 157.5 percent, with widespread reductions reported by both durable goods and nondurable goods industries. Iron and steel production eased further; the index slipped to 124.0 percent from 124.3 percent. Steel producers poured some 10.3 million tons of steel during the month, compared with 10.9 million tons in March and 11.6 million tons a year earlier. In the consumer sector, cutbacks were recorded for furniture and television sets. Automobile assemblies in April totaled 656,800 units, compared with 682,600 in March. The April total was down 152,600, or 19 percent, from a year earlier.

The index for mining output moved up from 122.5 percent to 122.9 percent in April, while utilities output held over the month at 179.5 percent.

Factory orders for durable goods increased slightly in April, edging up by $100 million to a seasonally adjusted level of $22.2 billion. The over-the-month rise largely reflected gains in orders for primary metals, machinery, and transportation equipment. All other major industry groups registered declines. A year earlier, new orders totaled $24.2 billion.

The April *shipments of durable goods* dropped by $600 million to a seasonably adjusted $22.5 billion—the lowest figure in more than a year. The decline was broadly based; every major industry group showed reductions, except transportation equipment which remained unchanged over the month. A year earlier, shipments totaled $22.7 billion. For the first 4 months of 1967, shipments

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were about the same as for the corresponding period a year ago.

Nonfarm housing starts showed no appreciable change in April, edging up over the month by some 10,000, or less than 1 percent, to a seasonally adjusted annual rate of 1,171,000 units. A year earlier, starts were 22 percent higher. Starts advanced sharply in the North East region and more moderately in the South, but fell in the West and the North Central regions.

Permits issued for future home construction increased strongly in April and were at a seasonally adjusted annual rate of 1,003,000. This was 8 percent higher than in the preceding months and the highest rate since May 1966, when it was 1,098,000. Permits issued gained in all parts of the country; the largest advances were posted in the North East, and the West. All major groupings registered over-the-month advances. Permits for single family dwellings were issued at an annual rate of 598,000, up from the 558,000 level a month before. The permit rate for units in buildings to house two to four families rose to 58,000 from 56,000 in March, while the rate for apartment buildings (housing five or more families) climbed to 356,000 from 314,000.

Despite the marked improvement this April, the permit rate was some 15 percent under the year-earlier figure, with declines registered in all major groupings.

Personal income rose to a record $614.1 billion seasonally adjusted annual rate, a gain of $1.4 billion. The April advance was the slimmest since the $1.0 billion rise in January 1965 and contrasted sharply with the gain of $3.4 billion in March when a nonrecurring factor—the issuance of veterans' life insurance dividends—caused an unusual rise in Government transfer payments.

The key wage and salary category showed a rise of $800 million—about a third as much as the March gain—to a $414.3 billion rate. Rapid expansion in the government and the services industry payrolls was heavily offset by payroll shrinkages in the distribution and manufacturing industries. In the important factory sector, payrolls dropped by $300 million to a $131.2 billion rate in April after a $400 million March rise. The reductions occurred mostly in durable goods industries (including metals, machinery, and electrical equipment), reflecting in large part a cut in both employment and hours worked.

Personal income for the first 4 months of 1967 averaged a $611 billion annual rate—$45 billion, or 8 percent, above the comparable period in 1966.

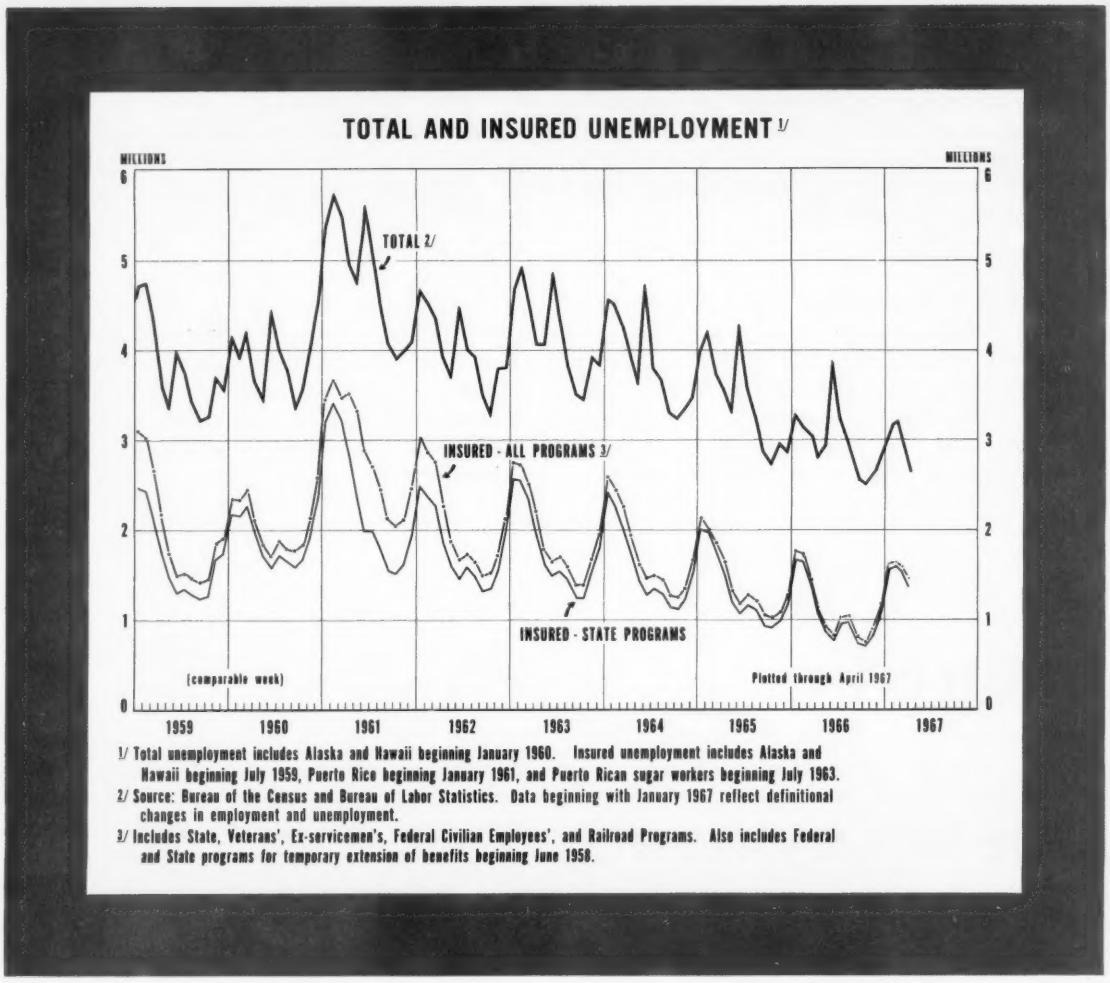
Despite the steady advance in purchasing power stemming from higher personal income and relatively high levels of employment, retail sales have remained sluggish since late 1966. The volume in April (seasonally adjusted) dropped to $25.7 billion from the record volume of $25.8 billion in March. The latest volume exceeded the April 1966 volume by 3 percent. Durable goods sales in April, at $8.2 billion, were down fractionally from the March level but were some 3 percent greater than the year-earlier figure. Despite gains from March in general merchandise and apparel stores, most other nondurables outlets registered declines. As a result, the nondurables volume, at $17.5 billion, was down 1 percent from March. April sales of U.S. built new cars totaled 710,500, nearly 6 percent above the March level but 12 percent less than the number for April 1966.

Employment Developments

Total civilian employment, at 73.4 million in April, was up by 885,000 from the previous month—a shade above the increase that usually occurs at this time of year. Both the farm and nonfarm sectors showed gains, with the latter group accounting for nearly two-thirds of the overall rise. Nearly half the employment increase was among adult men, and approximately two-fifths among adult women. Compared with a year earlier, total civilian employment was some 1.4 million higher.

Nonfarm payroll employment rose by 100,000 (seasonally adjusted) to a record 65.6 million. Sizable gains in retail trade and government more than offset declines in both manufacturing and construction employment. Jobs in retail trade have been expanding moderately since midwinter, and the March–April rise of some 187,000 carried the total for this industry group to 13.7 million (seasonally adjusted). Employment among government workers rose by some 64,000 to 11.4 million. About two-thirds of the new employees in the government sector were hired by the State and local government offices. Small employment advances also occurred in the services and the finance-insurance-real estate categories.

Manufacturing employment, which had been slowing since December, continued down during April, dropping by some 117,000—more than half of the 225,000 drop since January—to 19.2 million (seasonally adjusted). The reduction in manufac-


TOTAL AND INSURED UNEMPLOYMENT 1/
MILLIONS
MILLIONS
6
5
4
3
2
1
0
TOTAL 2/
INSURED - ALL PROGRAMS 3/
INSURED - STATE PROGRAMS
(comparable week)
Plotted through April 1967
1959
1960
1961
1962
1963
1964
1965
1966
1967
1/ Total unemployment includes Alaska and Hawaii beginning January 1960. Insured unemployment includes Alaska and Hawaii beginning July 1959, Puerto Rico beginning January 1961, and Puerto Rican sugar workers beginning July 1963.
2/ Source: Bureau of the Census and Bureau of Labor Statistics. Data beginning with January 1967 reflect definitional changes in employment and unemployment.
3/ Includes State, Veterans', Ex-servicemen's, Federal Civilian Employees', and Railroad Programs. Also includes Federal and State programs for temporary extension of benefits beginning June 1958.

turing activity reflected lower demand, partly caused by the working off of high-inventory levels of recent months. Nearly all the April decline was in the durable goods sector; primary metals, electrical equipment, and transportation equipment accounted for three-fifths of the reduction. Food and textiles industries accounted for the bulk of the drop in nondurables.

Inclement weather in many parts of the Nation affected construction activity. As a consequence, construction employment (seasonally adjusted) moved down by 41,000 during April.

Compared with a year earlier, nonfarm payroll employment was up by 2.1 million, with gains in all industry groups except contract construction. The service-producing sectors (trade, transportation, and public utilities, finance-insurance-real estate, services, and government), with a gain of some 1.8 million, continued to account for the major portion of the over-the-year employment rise. Government employment rose by 750,000, while services and trade increased by 500,000 and 350,000, respectively. The four nondurable goods industries that registered declines were tobacco, textiles, apparel, and leather; reductions ranged between 300 and 15,000.

With the release of its April employment data, the Bureau of Labor Statistics introduced three new series of monthly estimates (average weekly hours, average hourly earnings, and average weekly earnings for some 44 million workers on private nonagricultural payrolls). The new estimates

provide a much more inclusive measure of the hours and earnings of workers than has been available previously. The new series relates to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, wholesale and retail trade, finance-insurance-real estate, and services.

In April, the *workweek for employees on private nonagricultural payrolls* averaged 37.9 hours, down 0.6 hour from the comparable period a year earlier. Weekly earnings, however, at $99.68, were up over the year by $2.27. The *average factory workweek* (seasonally adjusted) moved up fractionally to 40.5 hours as compared with 40.4 hours in March. Hourly earnings were up by 12 cents, raising average weekly earnings in April to $112.56. This was $1.32 above the figure for April 1966.

Unemployment

Total unemployment in April declined by 300,000—about in line with seasonal expectations—to 2.7 million. Approximately 40 percent of the unemployed were adult men; 35 percent, adult women; and 25 percent, teenagers.

The total unemployment rate edged up to 3.7 percent from a seasonally adjusted 3.6, virtually unchanged from the level of the last 4 months and the same as a year earlier. The rates for adult men and adult women at 2.3 and 4.1 percent, respectively, were unchanged over the month, while the rate for teenagers edged up from 10.7 percent in March to 11.6 percent.

Insured Unemployment*

INSURED UNEMPLOYMENT averaged 1,360,000 per week in April, some 11 percent below the March figure. Most of this slightly less than expected decline (a 14-percent drop is the seasonal expectation) resulted from the spring pickup in construction and other outdoor activities. However, poor weather in some States and also the secondary effects of labor disputes exerted an upward influence on insured joblessness. In addition, some increased joblessness was noted in the electrical equipment industry, and several States reported unemployment stemming from postholiday layoffs in textile and apparel plants. On a seasonally adjusted basis, average weekly insured unemployment rose to a level of 1,275,000 from 1,231,100 in March.

The number of insured jobless under the two Federal programs also declined during the month. Under the UCFE program (covering Federal workers), average weekly insured unemployment moved down from 22,300 to 19,400. Under the UCX program (covering ex-servicemen), the average dropped from 24,000 to 21,500. Both volumes were slightly less than in April 1966.

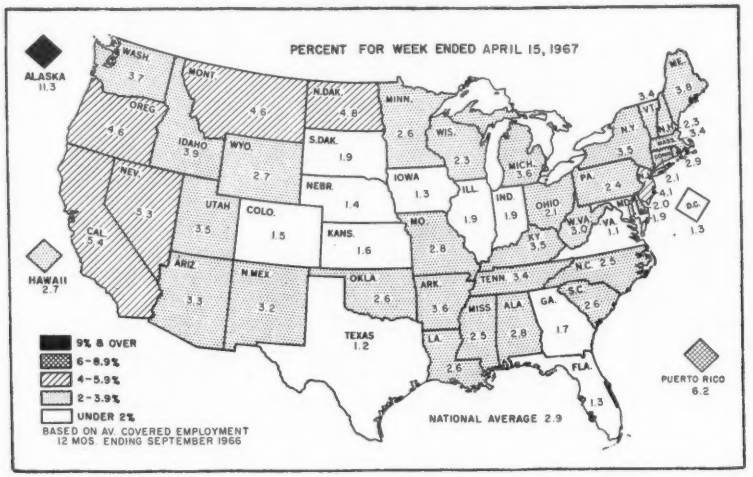
The national rate (unadjusted) of insured unemployment under State programs (unadjusted) was 2.9 percent in April, compared with a rate of 3.3 percent in March and 2.3 percent a year earlier. Twenty-two States showed rates above the national average. The highest (as usual for this time of year) was in Alaska (11.3 percent), followed by Puerto Rico (6.1 percent) and California (5.4 percent). Among the larger industrial States, the rates in New Jersey (3.9 percent) and Massachusetts and New York (3.4 percent each) were above the national average. The lowest State rate (1.1 percent) was reported in Texas and Virginia.

Between March and April, insured joblessness moved down in all but three States, with the largest declines reported in New York (23,000), Michigan (16,900), Pennsylvania (16,000), and New Jersey (11,500). Five other States—Maryland, Massachusetts, Minnesota, Ohio, and

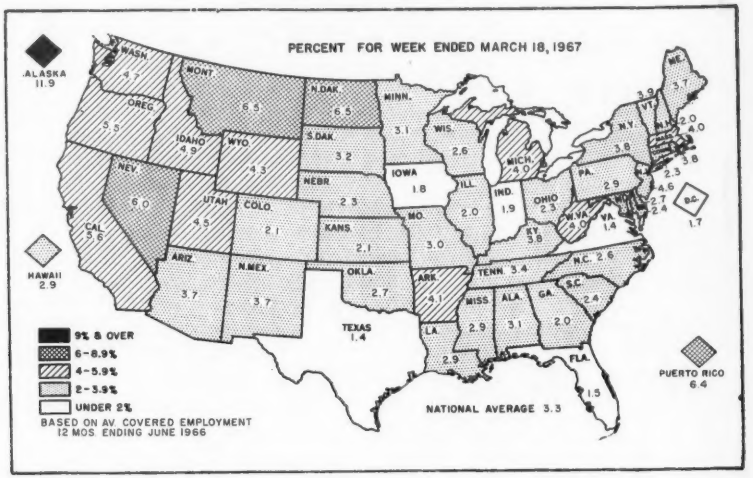
**Prepared in the Office of Program Reports and Research, Administration and Management Service, Bureau of Employment Security.*

STATE INSURED UNEMPLOYMENT AS PERCENT OF AVERAGE COVERED EMPLOYMENT

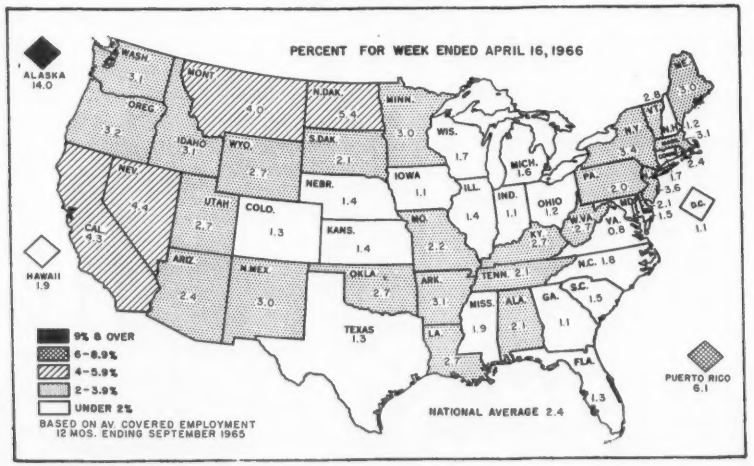
LATEST MONTH



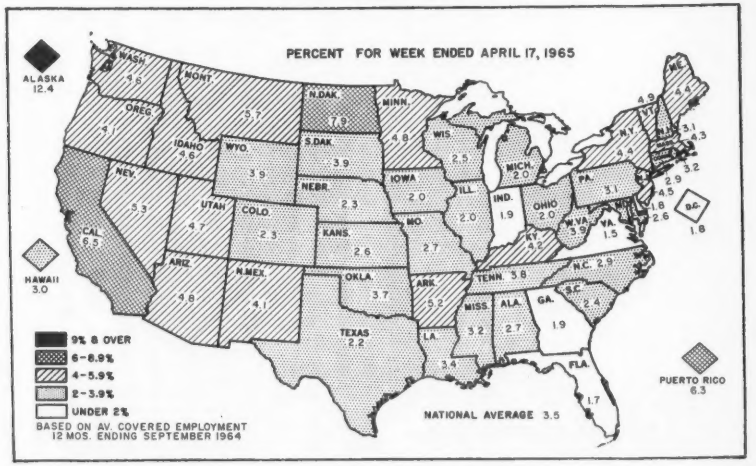
PREVIOUS MONTH



ONE YEAR AGO



TWO YEARS AGO



Week ended—	Initial claims [1]		Insured unemployment [1]	
	1967	1966	1967	1966
March 4	326, 800	198, 200	1, 620. 500	1, 470, 700
March 11	240, 600	176, 900	1, 577, 500	1, 375, 600
March 18	225, 300	162, 200	1, 525, 000	1, 290, 500
March 25	215, 400	160, 400	1, 504, 900	1, 223, 800
April 1	223, 600	161, 100	1, 469, 600	1, 148, 300
April 8	251, 200	195, 600	1, 409, 500	1, 110, 900
April 15	289, 500	161, 000	1, 386, 300	1, 067, 100
April 22	218, 100	157, 400	1, 341, 700	1, 014, 800
April 29	216, 900	153, 100	1, 302, 400	963, 600
Weekly averages				
March	239, 300	171, 100	1, 532, 500	1, 301, 100
April	243, 900	166, 500	1, 356, 000	1, 044, 300

[1] Refers to State programs.

Washington—posted reductions ranging between 5,000 and 10,000.

The largest portion of the decline in New York occurred among jobless construction workers. In addition, with the opening of the resort and outdoor recreation season, a sharp pickup was noted in trade and services activities. On the other hand, insured joblessness rose sharply in apparel, following post-Easter layoffs. Cutbacks were also reported in electrical machinery and fabricated metals plants.

The spring pickup in construction was the most substantial factor in Michigan's decline. Also, joblessness among workers in trade and services moved down. However, unemployment among auto workers in the State continued to move up, with this group accounting for about a quarter of the State's insured unemployment total.

In both Pennsylvania and New Jersey the dominant factor was increased activity in outdoor work, as insured joblessness among construction, trade, and services workers moved down substantially. However, in both States the number of jobless manufacturing workers moved higher and cutbacks in apparel occurred. There were layoffs in the electrical machinery industry in New Jersey, and a rise in joblessness among primary metals workers was reported in Pennsylvania.

Only Maine, New Hampshire, and South Carolina showed higher insured unemployment volumes between March and April. However, the increases in two of these States were small and only South Carolina, up by 1,200, showed an increase of more than 500.

Compared with April 1966, insured joblessness was some 315,700 (30 percent) higher, with all but six States showing greater volumes. California had the largest rise (66,500); about two-thirds of the increase stemmed from weakness in the construction industry. Michigan's average volume was up by 43,500; about one-half of the rise resulted from cutbacks in the auto industry, but joblessness among construction, trade, and services workers was also higher. Much of Illinois' over-the-year increase of 17,200 reflected more unemployment among electrical equipment workers. In Ohio, with an increase of 24,300, cutbacks in auto plants and in primary metals industries, as well as lack of vigor in construction, contributed to the higher volume. About one-half of Pennsylvania's increase of 17,200 stemmed from increased joblessness in the apparel industry. New Jersey showed a rise of 10,300, and New York's average was up by 8,600.

Activity [1]	Number or amount	Percent change from—		January-April cumulative (in thousands)	
	April 1967	March 1967	April 1966	1967	1966
Initial claims [2]	1, 004, 700	−5. 3	+44. 9	4, 499	3, 846
Weeks claimed [2]	5, 766, 700	−17. 5	+26. 7	25, 982	24, 289
Insured unemployment (weekly average) [2]	1, 360, 000	−11. 3	+30. 2	1, 510	1, 390
Beneficiaries (weekly average)	1, 244, 300	−9. 5	+33. 6	1, 312	1, 236
Benefits paid [3]	$200, 588, 200	−22. 1	+29. 0	$897, 322	$805, 519
Claimant exhaustions	81, 200	+7. 0	+2. 2	288	317

[1] Data relate to State programs only.
[2] Includes agent State claims taken by the Virgin Islands; also includes data under Puerto Rico sugar cane program.
[3] Monthly data represent gross amount; cumulative data represent net amounts.

Exhaustions

A total of 81,200 persons exhausted their benefit rights under the State programs during April, representing an over-the-month rise of 5,300 and an over-the-year increase of 1,700. However, the current figure is, except for last year, the lowest for the month since April 1953, when exhaustions totaled 71,600.

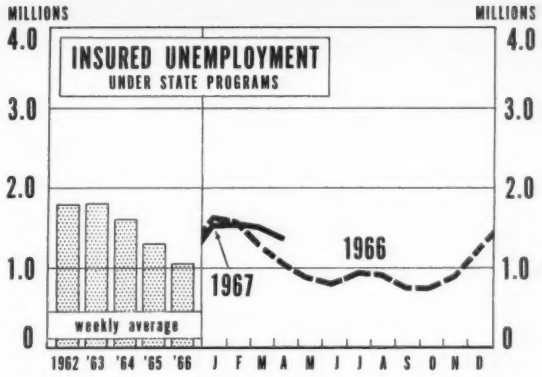
Thirty States reported a larger number of exhaustions than in March, with the greatest increase posted in California (2,050). The largest decrease (500) was noted in Texas.

The highest number of exhaustees in April was reported in California (15,200), followed by New York (6,900), New Jersey (5,800), Michigan (4,900), Massachusetts (3,600), Puerto Rico (3,300), and Illinois (2,900).

Compared with April a year earlier, 25 States had a higher number of exhaustions. Michigan had the largest rise (1,700), and New York had the largest reduction (1,100).

Benefits

A total of $207.5 million was paid out in benefits under regular unemployment insurance programs during April, representing an over-the-month decline of $58.4 million but an over-the-year rise of $44.7 million. Of the benefit total this April, $200.6 million was disbursed under the State programs,



$3.4 million under the UCFE program, and $3.6 million under the UCX program.

The average weekly benefit check for those insured workers who were totally unemployed came to $41.81 in April. Last month the average was $42.07, while a year ago it was $39.39. The highest average weekly benefit payments were disbursed in California ($51.24), Hawaii ($50.02), Colorado ($48.08), Wisconsin ($47.99), and Michigan ($47.00). The lowest average benefit payment was paid in Puerto Rico ($17.82).

Approximately 9 percent of all unemployment benefit checks in April were for partial unemployment; the average payment was $24.40. In April 1966, such benefits averaged $24.09.

NOTE.—A separate monthly report, *Unemployment Insurance Statistics*, provides more detailed data on unemployment insurance activities. Copies of *Unemployment Insurance Statistics* are available upon request to Unemployment Insurance Service, Bureau of Employment Security, U.S. Department of Labor, Washington, D.C. 20210.

Selected Unemployment Insurance Statistics, State Programs, April 1967

State	Initial claims received 1/ 2/	Weeks claimed 2/	Number of insured unemployed (weekly average) 3/	Number of beneficiaries (weekly average) 3/	Average weekly payments for total unemployment	Number of final payments 4/	Benefits paid 5/	12 months ending April 1967 (in thousands)		Funds available April 1967 7/ (in thousands)
								Benefits paid 6/	Collections and interest	
Total	8/1004680	8/5766786	8/1359970	1244254	$41.81	81243	$200588165	$1863101	$3332122	$9675822
Alabama	12590	83340	17677	14950	31.01	1211	1809682	17656	31894	105116
Alaska	2217	20908	4653	4719	44.33	199	828320	6579	10962	10/19470
Arizona	7412	38525	9341	7842	38.15	617	1183240	10934	18543	72641
Arkansas	8867	49810	12298	9796	30.02	933	1141562	10697	17498	40242
California	164855	1007345	251880	230292	51.24	15164	10086439	441146	590694	744544
Colorado	5615	30204	5895	5177	48.08	646	955194	9685	17169	69262
Connecticut	13287	75991	17970	17009	46.21	1148	3089002	26523	65828	247725
Delaware	1386	15119	3090	3666	43.55	243	596363	7239	6841	24274
Dist. of Col.	1766	17042	4093	3925	45.15	160	705793	7118	11573	68809
Florida	15069	61408	15332	9280	29.50	1002	1068905	17871	39849	211452
Georgia	12228	68815	17428	12785	34.65	1490	1597018	16051	42727	229913
Hawaii	2733	22596	5412	5148	50.02	333	962100	9569	11758	26291
Idaho	2369	22441	5163	4644	45.11	721	789049	6990	10161	34977
Illinois	63776	284253	57268	48900	43.97	2899	8366153	72943	98907	561938
Indiana	32720	107674	23809	21258	36.03	2140	3014736	23495	61630	225915
Iowa	5169	29085	6709	5891	42.22	612	937418	8392	14018	122680
Kansas	3626	25214	5879	5791	41.12	490	930840	9407	19397	75516
Kentucky	10391	76554	18861	15483	37.86	795	2215211	15823	29024	137948
Louisiana	12580	79223	17523	15926	35.97	2156	2245926	20746	40991	151514
Maine	4941	32215	8071	6348	35.29	430	821086	7559	10431	39085
Maryland	12413	77990	14854	15642	39.40	679	2356788	23173	51156	205214
Massachusetts	35594	235012	55861	53164	44.29	3561	8745248	88494	148152	281470
Michigan	58028	356603	75272	77565	47.00	4890	14368969	102114	173994	10/615390
Minnesota	10363	95383	21076	19742	40.80	1601	3148193	21303	44440	48702
Mississippi	7578	36994	8787	6594	26.37	410	679321	6267	15525	74533
Missouri	33498	115014	28541	21951	39.75	1200	2962211	30038	47649	266479
Montana	2599	28202	5397	5341	31.85	622	685364	5378	6367	19418
Nebraska	2298	20045	3575	4119	35.56	483	573693	5745	9209	44507
Nevada	4622	32566	6789	6621	43.00	643	1114968	12195	10943	26666
New Hampshire	3849	15459	3818	2567	38.40	3	347832	2130	7836	37534
New Jersey	37818	292126	68854	71253	41.12	5796	11366289	107757	158506	344668
New Mexico	4096	25532	5363	5099	31.07	163	619522	6065	8080	37046
New York	125308	757149	182548	180917	43.58	6863	30149538	308804	474011	1433205
North Carolina	27825	135741	29264	26686	27.97	1072	2849839	22289	56103	282780
North Dakota	992	19561	3641	4135	42.01	187	690836	4835	5277	5922
Ohio	43344	221968	53217	45463	41.08	1528	7337770	54598	197792	515267
Oklahoma	6584	45008	11092	8226	27.58	556	891498	9922	16336	56392
Oregon	15226	92198	22371	20032	36.95	904	2905477	25521	37431	109220
Pennsylvania	63511	316607	75589	72945	37.25	2056	10114591	88883	318519	10/543300
Puerto Rico	8/11237	8/86932	8/19191	12749	17.82	3266	9459600	9/156644	243582	66038
Rhode Island	8366	33680	7771	7399	40.15	591	1119710	11886	21819	64176
South Carolina	10569	57564	14463	11249	31.70	943	1393639	11584	26682	114795
South Dakota	494	6711	1424	1362	32.49	178	166879	1549	2770	15940
Tennessee	16979	109513	27246	20750	30.78	1497	2487713	20922	51001	143328
Texas	18466	117731	24687	19805	30.85	2358	2363515	28008	65130	293283
Utah	3218	28993	6698	5882	40.37	838	925447	9394	12703	41101
Vermont	2251	14522	2881	2690	39.87	84	407793	3365	9496	15674
Virginia	9353	44084	9454	7929	32.89	810	1019328	8263	24997	170606
Washington	16317	106925	25129	24353	33.16	2174	3182151	32710	68400	255634
West Virginia	7050	44748	10646	10299	26.73	405	1064477	9896	19249	72518
Wisconsin	21013	103060	24567	21382	47.99	1445	4019196	35690	63938	253368
Wyoming	719	6988	1561	1519	41.00	48	240373	2237	4263	12335

1/ Excludes transitional claims.
2/ Total includes claims taken as agent State by the Virgin Islands.
3/ Weekly data are adjusted for split weeks in the month on the basis of a 5-day work week.
4/ A final payment is the payment for the last week of compensable unemployment in a benefit year, and indicates the exhaustion of benefit rights by a claimant for that benefit year. Because of the time lapse between the actual week in which the unemployment occurs and the date on which final payment is made the monthly total includes some claimants who exhausted their rights in the preceding month but received their final payment in the reported month, and excludes some claimants who exhausted their rights in the reported month but will not receive their final payments until the succeeding month. Workers who exhaust their rights may be entitled to additional benefits when the following benefit year begins. The number of exhaustions is not indicative of the number who are still unemployed as some will have obtained employment and others may have withdrawn from the labor force.
5/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan. Includes $46,683 in payments under extended duration provisions of State laws in Puerto Rico.
6/ Adjusted for voided benefit checks and transfers under interstate combined-wage plan.
7/ Includes amount credited to States' accounts in the unemployment trust fund, less withdrawals by the States, under the provisions of the Employment Security Administrative Financing Act of 1954.
8/ Includes data under the program for Puerto Rican sugarcane workers.
9/ Includes payments made under State temporary extended benefit provisions.
10/ Funds available reflect an advance from Federal account in Unemployment Insurance Trust Fund.

Selected Unemployment Insurance Statistics, Federal Programs,[1] April 1967

State	UCFE					UCX				
	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/
Total	8375	82981	20220	$3353826	$41.47	14301	91010	21357	$3575937	$41.86
Alabama	182	2058	311	42251	33.96	225	1696	328	46195	35.21
Alaska	180	2033	616	109485	44.45	50	388	97	17384	44.69
Arizona	175	1211	319	49796	39.03	223	1350	296	48017	40.59
Arkansas	120	1108	150	18843	31.51	87	714	148	21545	36.33
California	1131	15280	4066	842437	51.79	2979	19509	5171	1010017	48.83
Colorado	119	693	140	26523	47.36	146	1059	196	36236	46.34
Connecticut	30	294	59	10415	44.13	91	358	72	11781	41.19
Delaware	9	114	17	2836	41.10	13	181	44	7995	45.42
Dist. of Col.	208	2453	744	139475	46.85	59	321	80	13786	43.35
Florida	141	912	144	17164	29.75	228	1163	218	28185	32.29
Georgia	162	1217	239	36854	38.59	205	1351	308	49681	40.33
Hawaii	64	995	289	60867	52.70	90	854	230	48412	52.62
Idaho	37	865	218	39480	45.38	53	581	132	21247	40.39
Illinois	266	2481	625	92476	37.02	507	1779	402	63628	39.57
Indiana	97	595	104	15001	36.06	261	1406	250	37949	37.99
Iowa	21	237	54	8694	40.63	67	379	98	17540	44.97
Kansas	54	659	170	25686	37.88	77	485	143	25701	45.09
Kentucky	168	1347	316	49504	39.15	336	2590	666	107360	40.32
Louisiana	127	1099	147	20784	35.41	216	1438	290	46426	40.02
Maine	76	370	66	8977	33.88	61	421	94	14891	39.71
Maryland	219	1362	220	35740	40.66	222	1191	237	40587	42.86
Massachusetts	148	2127	636	119481	46.97	250	1844	503	92750	46.10
Michigan	229	1901	492	85263	42.29	644	4478	1093	189313	43.30
Minnesota	72	857	273	41894	38.36	158	1636	533	85588	40.14
Mississippi	205	1191	273	29572	27.08	74	426	102	12025	29.40
Missouri	156	856	210	31169	37.15	258	1255	352	55441	39.43
Montana	75	1596	294	39114	33.23	53	568	130	17169	32.95
Nebraska	41	456	118	16270	34.62	29	259	58	8666	37.52
Nevada	65	616	105	18035	42.94	88	538	119	20383	43.00
New Hampshire	35	94	17	2334	34.32	34	140	41	7471	45.83
New Jersey	364	2515	511	89339	43.73	411	2921	668	115235	43.13
New Mexico	180	1285	266	35938	33.59	132	831	183	25054	34.32
New York	913	6638	1478	247936	41.94	917	4633	940	155593	40.87
North Carolina	88	1148	287	36442	31.77	234	1609	346	54323	39.22
North Dakota	23	528	110	17235	39.08	34	905	200	31573	39.57
Ohio	182	1695	595	93968	39.50	686	3873	606	98751	40.77
Oklahoma	60	1116	265	30105	28.40	91	1037	227	27867	30.76
Oregon	137	1410	396	57409	36.27	243	1765	417	68330	41.01
Pennsylvania	412	4151	940	143746	38.22	1462	6757	1599	259843	40.63
Puerto Rico	58	657	160	12168	19.04	207	1395	333	26385	19.75
Rhode Island	53	744	194	35261	45.56	69	412	103	17795	43.73
South Carolina	72	563	124	16613	33.49	137	878	210	32791	39.08
South Dakota	24	412	109	14346	32.98	21	287	76	10340	34.24
Tennessee	249	3267	1033	146610	35.47	234	2134	481	68625	35.70
Texas	434	3098	690	90038	32.65	495	3586	763	109252	35.81
Utah	48	907	213	36792	43.23	51	623	125	21012	42.02
Vermont	11	116	20	3416	43.24	18	160	29	4824	41.23
Virginia	83	680	101	13285	32.88	112	718	122	17673	36.22
Virgin Islands	1	0	0	0	0	2	2	0	0	0
Washington	259	3489	890	129871	36.47	523	2874	760	117577	38.68
West Virginia	39	240	56	5318	23.85	254	1737	393	50797	32.31
Wisconsin	58	988	271	49954	46.13	165	1299	305	52852	43.32
Wyoming	15	257	83	13616	41.26	19	216	48	8136	42.38

1/ The programs for Federal civilian employees (UCFE) and for ex-servicemen (UCX), established under Title XV of the Social Security Act, became effective January 1, 1955, and October 27, 1958, respectively. Data exclude information on claims filed jointly with State unemployment insurance programs.

2/ Includes transitional claims.

3/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan.

4/ Includes data for total, part-total, and partial unemployment. Separate data for total unemployment are not available.

Income-Maintenance Program Operations

All Programs

	1967	1966		1965
	January	December	January	December
Total Public Income-Maintenance Payments (millions)	$4,008	$3,929	$3,416	$3,360
Old-age, survivors, and disability insurance	2,010	1,983	1,609	1,607
Railroad and public employee retirement	1/594	1/593	1/527	1/516
Unemployment insurance, temporary disability insurance, workmen's compensation, training benefits (ARA and MDTA)	2/464	2/393	2/440	2/399
Veterans' compensation and pension programs	373	378	368	368
Public assistance	566	583	474	470
Old-Age, Survivors, and Disability Insurance				
Total beneficiaries (thousands)	22,847	22,767	21,053	20,867
Retired workers	11,682	11,658	11,179	11,100
Survivors and dependents	9,391	9,381	8,876	8,778
Disabled workers	1,105	1,097	997	988
Total monthly benefits (millions)	3/$1,646	3/$1,639	3/$1,532	3/$1,517
Retired workers	988	983	939	932
Survivors and dependents	527	526	495	489
Disabled workers	108	108	98	97
Persons receiving special benefits	4/23	4/22	--	--
Public Assistance				
Total recipients (thousands)	8,173	8,074	7,868	7,802
Federally aided programs	7,489	7,410	7,154	7,125
Aid to families with dependent children--children	3,582	3,526	3,346	3,316
Total recipients	4,748	4,666	4,439	4,396
Old-age assistance	2,068	2,073	2,074	2,087
Other federally aided programs	1,670	1,583	1,222	922
General assistance: Cases	309	302	319	310
Recipients	684	663	714	677
Total payments (millions)	5/$566	5/$583	5/$474	5/$470
Federally aided programs	536	552	444	439
General assistance	25	24	22	21

1/ Data not comparable with earlier reports. Effective January 1964, Federal noncontributory and State and local retirement systems previously included with the data for unemployment insurance, temporary disability insurance, and workmen's compensation are included with railroad and public employees retirement systems.
2/ Data for temporary disability insurance and workmen's compensation include estimated payments made by private insurers and self-insurers in accordance with law.
3/ Current payment status, excludes lump sum and retroactive payments and adjustments for over and under payments.
4/ Special benefits (authorized by P. L. 89-368) for persons aged 72 and over not insured under the regular nor the transitional provisions of the Social Security Act, beginning October 1966.
5/ Total exceeds sum of items because of inclusion of vendor payments, not shown in detail.

Temporary Disability Insurance Activities Under State and Railroad Programs

	First claims received		Weeks compensated		Benefits paid		Benefits paid	
	February 1967	January 1967	February 1967	January 1967	February 1967	January 1967	February 1966	January 1966
California								
State plan								
Basic benefits	51,051	50,840	270,750	293,882	$15,230,447	$16,474,220	$14,513,640	$15,346,359
Additional hospital benefits	1/28,465	1/26,668	2/205,764	2/193,500	2,469,168	2,322,000	2,473,572	2,329,740
Private plan	4,100	3,362	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
New Jersey								
State plan	9,941	9,120	66,003	63,658	2,140,187	2,532,955	2,085,368	2,233,158
Private plan	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
New York	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
Rhode Island	2,948	3,526	27,157	27,619	1,001,193	1,025,472	940,633	921,242
Railroad								
Sickness	9,231	7,766	4/87,638	5/102,156	2,605,902	3,357,602	2,664,461	3,847,681
Maternity	134	119	4/1,822	5/2,104	128,569	148,711	124,140	138,998

1/ Represents the number of payments made.
2/ Days for which additional hospital benefits were paid.
3/ Data not available.
4/ Estimated from data "benefit periods" compensated which number 43,819 for sickness and 911 for maternity.
5/ Estimated from data "benefit periods" compensated which number 51,078 for sickness and 1,052 for maternity.

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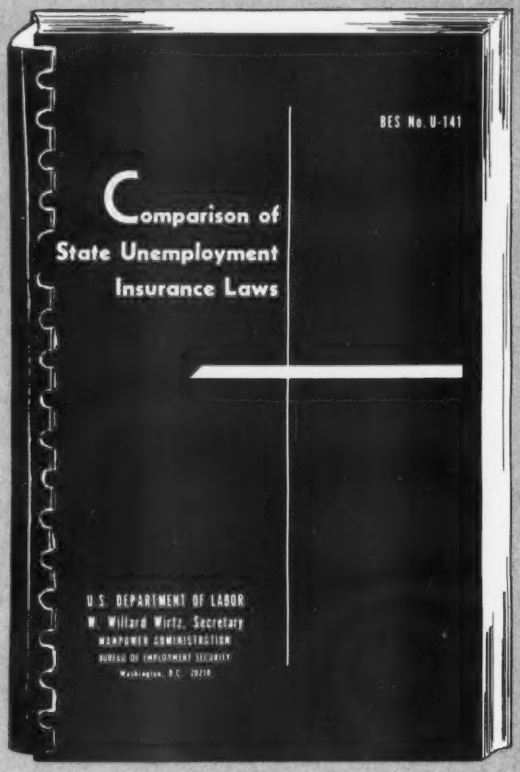

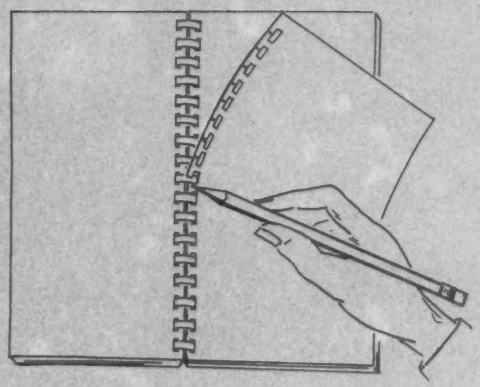

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